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Daily Report
Latin America

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Inter-American Affairs: Caldera Not To Attend Andean Summit

PY0603233696 Madrid EFE in Spanish 1847 GMT 6 Mar 96

[FBIS Translated Excerpt] Trujillo (Peru), 6 Mar (EFE) — The institutional reform of the Andean Pact is being obstructed by the Bolivian technical delegation that is taking part in the meetings prior to the eighth presidential summit to be held in Trujillo. [passage omitted]

It was reported that the obstruction occurred during the discussion on the "Reform Protocol of the Andean Group," which must become the basis of the Andean Group institutional reform in accordance with the "Act of Quito" which was approved in the Seventh Andean Pact Presidential Council held in Quito last September. [passage omitted]

Venezuelan President Rafael Caldera has just announced that he will not be able to attend the summit this weekend, which will be attended by his counterparts Gonzalo Sanchez de Lozada of Bolivia; Ernesto Samper of Colombia; Sixto Duran-Ballen of Ecuador; Alberto Fujimori of Peru; and Ernesto Perez Balladares of Panama, who is attending the summit as a guest. [passage omitted]

Inter-American Affairs: Rio Group Meeting in Bolivia Ends

PY0603154396 Madrid EFE in Spanish 0108 GMT 1 Mar 96

[FBIS Translated Text] Cochabamba (Bolivia), 29 Feb (EFE) — A meeting of Rio Group national coordinators ended today, with a draft declaration for a meeting scheduled between the Rio Group and the EU, a report on drug trafficking for the EU, and a common stance for the 21st century antinarcotics strategy.

These achievements were explained during a news conference involving a Rio Group trio, made up of delegates from the country that hosted 1995 activities (Ecuador), the current host country (Bolivia), and the country that will host 1997 activities (Paraguay).

The first meeting was held by the working group dealing with drug trafficking. This group worked on a five-point report, establishing the necessity of taking a common stance in international forums on drug trafficking and outlining a strategy to struggle against drugs in the 21st century.

The third point establishes the drawing up of a report on drug trafficking for presentation to the EU. The fourth point establishes the necessity of holding a world conference on drugs for the 21st century. The fifth point deals with the establishment of a center for information and coordination on drugs in Panama.

During the meeting, the participants also drew up a draft declaration of principles for a meeting of Rio Group and EU foreign ministers, scheduled for 15-16 April. The draft declaration of principles establishes the common values shared by the two regions and the significance of the current talks and efforts to achieve an agreement.

The participants also established a timetable for Rio Group activities in 1996 and an agenda for a high-level meeting with Japan, where trade issues will be discussed on 11-13 June.

The participants also approved a Bolivian proposal for culture to become a key activity of the Rio Group in 1996, bearing in mind that it represents a mechanism for bringing nations closer and for sharing regional riches.

Cuba

Cuba: Robaina Addresses UN General Assembly

PA0603215396 Havana Radio Rebelde Network in Spanish 1800 GMT 6 Mar 96

["Text" of speech by Foreign Minister Roberto Robaina at the UN General Assembly in New York on 6 March; from the "National Radio News" — recorded]

[FBIS Translated Text] Mr. President, Mr. Delegates: The government of the Republic of Cuba has requested the reopening of the period of sessions of the UN General Assembly to report to the international community and world public opinion events related to the reiterated violation of our sovereignty by planes coming from U.S. territory and to express the inadmissibility of those events and their dangerous implications for regional peace and security.

By coming to this assembly, Cuba wants to express its deepest gratitude to all those who, in one way or another, have helped our country have the opportunity to present its views today. We do so in keeping with international law, which is in the middle of its legal term and whose program and contents we have promised to comply with. [sentence as heard]

Cuba's position against the role played by the UN's main organizations and especially against the Security Council operation is well known. We come before you today for this reason and because we know that this General Assembly represents the international community in a much more authentic manner.

Regarding the incident that occurred near our coasts on 24 February, we all know that the Security Council members were subjected to tremendous pressures by the U.S. delegation that was interested in getting a quick and unmerited condemnation for Cuba and that abusively took advantage of the fact that it held the rotating presidency of the council at that time.

At this time, Cuba wants to express its recognition of the position maintained by several Security Council members throughout this process. They rejected the evident manipulation and attempts to get them to participate in the ploy. This stance did not allow the U.S. delegation in the end to obtain the absurd and unfair condemnation that it had set out to get.

To understand this episode it is necessary to know the background. The history of aggression against Cuba and actions that violate its sovereignty and territorial integrity did not begin on 24 February; they began 37 years ago. One of the first acts of violence against the Cuban revolution also departed from southern Florida, exactly as was done on this occasion, on 21 October 1959, when pirate aircraft dropped subversive propaganda and bombed the capital of the country. The aggression cost our people valuable lives.

Part of the air force that participated in the 1961 Bay of Pigs Invasion, almost 35 years ago, were trained and prepared at the same Opa Locka base, under the cover of a civilian agency. That air force was of a military type, but it carried Cuban Air Force insignia, something as fraudulent as the civilian aircraft that were used many times for military aggression.

Throughout these years, the manifestations of a hostile policy against Cuba from successive U.S. Administrations have been innumerable. They include efforts at diplomatic isolation, a systematic blockade, a policy of economic aggression, the promotion of internal subversion, illegal radio and television broadcasts, the infiltration of spies and saboteurs, plans to assassinate leaders of our revolution, encouragement of terrorist activities, biological warfare, support of armed counterrevolutionary bands, protection of boat and aircraft raids from U.S. territory to carry out aggressions against Cuba, among many other options.

One of the climactic moments of this aggressive policy was the already mentioned armed invasion of our territory organized by the U.S. CIA in April 1961. It ended later in a naval blockade and the threat of nuclear war, which we have to clearly state was the consequence of the measures Cuba had to take in view of the danger of a direct military invasion by the United States.

With the demise of the USSR and the socialist arena, with the help of which Cuba was able to better resist the U.S. aggressions and blockade, the violent attacks against Cuba by groups of Cuban origin living in Miami worsened.

Since 1990, 14 infiltrations and pirate-armed attacks have taken place against our country with vessels coming from the southern United States; we have thwarted dozens of terrorist plots. Some of the participants in the latest serious actions were captured, and they will be able to explain at any time now to the courts how and with the support of whom they obtained weapons, explosives, vessels, and sophisticated tracking and communications equipment.

To all this, we add the fact that 4,480 hours of broadcasting a month were transmitted over the radio against Cuba in 1995 from the United States in order to incite violence and the disruption of the public order the country has established. Cuba is the only country in the world at which a television station financed by U.S. federal money is directed.

The latest category of this long history of aggressions has been the provocations by the planes belonging to the organization called Brothers to the Rescue, which violated Cuban airspace 25 times in the last 20 months. They always come from the United States.

Mr. President, a bilateral event between Cuban and U.S. Civil Aviation Administration representatives took place in September 1994. At that event, the United States expressed its concern for the information received from Cuban authorities on Cuban airspace violations and admitted that such flights constituted an additional threat to the U.S. Coast Guard's genuine effort to rescue illegal Cuban immigrants.

Not to belabor the point, I will only mention a few of the violations that took place after the meeting: On 10 November 1994, two Cessna 337 planes took off from the air base occupied by the United States in the Guantanamo territory. They overflew the extreme eastern part of the country and dropped subversive proclamations.

On 4 April 1995, another Cessna 337 entered Cuban jurisdictional waters, to the north of Havana, and flew along the coast for more than 40 km at a distance of between five and 10 nautical miles. On 13 July 1995, two airplanes manned by anti-Cuban elements that departed from Miami entered Cuban jurisdictional waters to the north of our capital city. They infiltrated an area banned to air traffic and overflew the city at a very low level, throwing propaganda promoting flotillas. They aborted their journey, only after they had entered our jurisdictional waters, approximately 22 km to the northeast of Havana.

On Saturday, 2 September of that same year, five Cessna planes and five helicopters flew in support of a similar flotilla, which was to leave from Miami and go to the north of the Varadero resort in Matanzas province. On that occasion, the airplanes left the zone of operation when the scheduled raid was aborted due to the negligence of the instigators, causing one vessel to sink, killing one of its crew members.

On 9 and 13 January 1996, two events take place that have special significance and must be emphasized because they immediately precede the 24 February incident. Brothers to the Rescue organization planes dropped thousands of leaflets over Havana. The leaflets contained subversive propaganda and called for people to carry out actions against Cuban constitutional order.

Not only did the Cuban Government inform the United States Government of this serious violation, as well as the rest of the overflights, the authors of the violations themselves ostentatiously published them in U.S. media sources.

I stop here to make an important explanation. Many people, even our own friends in the United States, have asked us: Why did you down those planes precisely at this time? That is to say, why did the incident occur at such a delicate and dangerous time, when fierce and unscrupulous electoral tiffs are taking place in the United States, prior to the November elections? This is a justified question. However, I must say, and pray that it be understood, this incident was not the product of a deliberate action by Cuba. What occurred was the following: After the 9 and 13 January provocations, the situation got to an intolerable level for us.

The Cuban population reacted with indignation and concern to such a flagrant violation of our airspace. And it was precisely after those incidents that the Cuban Government issued instructions to the Air Force that what had happened on 9 and 13 January could not be permitted under any circumstances.

Cuba did not stop at this; although it had publicly and repeatedly warned the authorities through official notes, it decided to advise the U.S. Government, through serious and reliable channels, that the risk existed for a serious incident in view of the increasingly more aggressive and irresponsible activities of the planes that violated our airspace.

We truly begged the U.S. Government to do everything it could to prevent those flights that violated not only our laws, but those of the United States. This was an additional and special request. There was nothing left for us to do to prevent the incident except bow to our country's dignity and sovereignty. We are certain that our insistent requests reached the U.S. Government bodies tasked with making the decisions. We were assured at the time that everything would be done to prevent them. We could not stop such violations, but the U.S. Government, which was the origin of the aggressions, could. It was the only one that had this possibility in its hands.

But we do not say this expecting you to simply believe us without any arguments. There is irrefutable evidence that the U.S. Government was also concerned by the activity of this organization and this was reflected in various notes in response to our warnings that U.S. authorities sent us during that period. Note 577 of the U.S. Interests Section in Havana dated 18 October 1995, the U.S. Government reported to Cuba, and I quote, members of the said organization planned to head for the limit of the Cuban airspace on 21 March to transmit radio and television signals via shortwave into Cuba from vessels located outside Cuban territorial waters for about half an hour.

The same note added, and I quote, U.S. officials have warned flotilla organizers about the provisions contained in U.S. and international law regarding unauthorized transmissions from vessels or planes bearing U.S. registration and urged them to abstain from making illegal transmissions. Before that, also in a State Department note delivered on 8 August 1995 the Cuban Government was advised that the Federation Aviation Administration was investigating the possible violation of Annex 2 of the International Civil Aviation Convention by the person responsible for the organization.

On 5 October 1995, via note 553 of its Interests Section in Havana, the U.S. Government advised the Cuban Government that the Federal Aviation Administration accused that leader of violating federal aviation regulation FAR 91.703 for piloting a U.S. registered plane into a foreign country without complying with the regulations of this country and with regulation (91.13) for piloting a plane in a negligent or reckless manner, thus jeopardizing the life and property of others.

The same note added that the Federal Aviation Administration asked the Cuban Government for proof that might be relevant in the accusations made against the organization's main leader. On 16 February 1996, a week before the said incident, in addition to thanking the Cuban Government for the information provided, the U.S. Government — via a note issued by the Department of State — told the Cuban Government that the Federal Aviation Administration was continuing the investigations on the leader of the said organization. This organization's leader was accused of violating the federal aviation regulations, namely, FAR 91.703.

As established, the U.S. authorities had full knowledge of the existence of an organized group in the United States equipped with aircrafts, which had been created to organize activities other than offering legitimate international air services. The U.S. authorities knew that this group was using these aircrafts with clearly provocative intentions, violating Cuba's sovereignty and ignoring the regulations of the very state in which these aircrafts had been registered and in which the pilots' licenses had been issued. If we are guilty of any mistake in our conduct regarding the 24 February incident, it was to have believed that a country as powerful as the United States had the power to prevent groups of irresponsible people from conducting perfectly avoidable actions, which might even drag it into a genocidal war against our people.

That morning, Brothers to the Rescue planes flew to the north of Havana and entered our airspace. These flights were not in keeping with the international and national civil aviation regulations, since their takeoff or course was never reported. In addition, before the planes entered our flight information range, no communications had been established with our aeronautical authorities. Under these circumstances, at 1040, the Cuban authorities asked the Miami Air Traffic Control Center for information, and the center answered it had no information whatsoever. In light of this, Cuban Air Force planes took off and as the pirate planes saw them, they began to retreat.

In the afternoon of that same day, another three planes — violating their flight course — began to enter a dangerous active zone [zona activada], despite the warning issued by the Havana Air Traffic Control Center. The leader of the gang participating in the action answered that he knew that flying in this zone was prohibited, and that despite of this, they would continue their course. Someone from another one of the three planes said that they would head for Havana. Under these circumstances, the Cuban Air Force fighter planes took off and conducted a warning maneuver. Since there was no response and since two pirate planes, according to the observations of the pilots and the air command, were at a distance ranging between five and eight miles from our coasts and were ready to repeat the actions on 5 and 13 January, the Air Defense command post, in keeping with instructions received since mid—January and the powers given based on the fact that violations and pirate actions happen in a matter of minutes, ordered the fighter planes to down the two planes. The third plane, which at this point was outside our airspace and had begun to move away, was not pursued. The Cuban Government assumes full responsibility for the patriotic action adopted in the legitimate defense of the Cuba's sovereignty and security.

The search and rescue mission for possible survivors by helicopters, land units, and border troops began immediately and continued on 25 February. At 1000 of that day, a clump of technical objects, including navigation charts, a briefcase, and a portable battery clip, were found at a distance of 9.3 miles north off the Havana coast.

The Cuban Government was the first to regret publicly the loss of human lives that took place on 24 February as a result of irresponsible and criminal actions against our people, before the United States did, and much before the UN Security Council. The very day of the incident, in the first declarations issued by our Foreign Ministry, it was stated that Cuba immediately accepted the request to enter our jurisdictional waters by U.S. Coast Guard units to participate, together with Cuban units, in the search and rescue mission in the site where the two airplanes came down.

This fact also enables us to infer that U.S. authorities from the first moment understood that this incident had taken place inside Cuba's territorial waters. We really do not think that the U.S. Government had meant to provoke the 24 February incident and the conflict that may have ensued from it. What we are saying is that the U.S. Government did not adopt the effective measures at the right time that would have prevented these developments from happening. The decisions recently adopted by President Clinton and carried out by U.S. authorities on Saturday 2 March succeeded in preventing a repetition of another act of provocation planned for that day by the same perpetrators of previous violations.

If these decisions had been adopted and implemented earlier, these incidents would not have happened and we would have not had to regret the loss of lives. Some have reached the extreme of saying that the Brothers to the Rescue operation was of a humanitarian nature. This Assembly must know that that group established in 1991, and officially registered as a nonpolitical and nonprofit organization, is really financed by the shady money of the Miami extremist mafias.

It would be interesting to investigate the links between the National Cuban-American Foundation and the group, or to expand on the intense actions conducted by Congresswoman Ileana Ros to get the U.S. Department of Defense to donate or sell at low cost three of the airplanes that were employed against Cuba.

Cuba knows Jose Basulto, the top leader of that organization, very well. He was recruited by the CIA and trained in Panama and Guatemala. He was infiltrated in Giron, in Cuba, before and after the Playa Giron invasion. In 1963, he infiltrated the country again as the radio operator of a terrorist commando unit. In 1966, he worked for the (?CIA). The Cessna 337 airplane that he personally uses for his transgressions against Cuba carries in broad display the numbers 2506, which was the denomination of the mercenary brigade that under the leadership of the United States invaded our country through Bay of Pigs in 1961. This provides an idea of his political and moral ilk.

These is the background of an individual who wants to portray himself as the champion of humanitarian causes. When the Cuban-U.S. immigration agreements were signed, which put an end to illegal immigration, the ostensible objective of the aforementioned organization lost its reason for being, which was to promote illegal immigration into the United States. It was thus that provocation, planning, and execution of terrorist acts became its evident and sole purpose. They began to use their airplanes to act in an increasingly open and hostile manner.

[four-second break in reception] To carry out their actions, they have used twin-tailed [doble cola] Cessna planes with a military design, from the U.S. Armed Forces. These planes were used for exploration and combat actions in the Vietnam war. If you have any doubts about this, you may refer to the 19 July 1992 edition of Miami's EL NUEVO HERALD newspaper and observe the picture of a plane belonging to Brothers to the Rescue, which still has the U.S. Air Force abbreviation.

Cuba has sufficient evidence that the aforementioned organization drafted plans to blow up power pylons in Havana, to sabotage the Cienfuegos Refinery, and to carry out attacks against the main Cuban leaders, among other actions. This background information must be taken into consideration to explain the reasons prompting Cuba's decision not to allow planes from this organization to fly with impunity over Cuba.

This gang's plans for aggression make it very clear Brothers to the Rescue is a paramilitary and terrorist organization, waging an open war against our country. Their activities are not just hostile actions and acts of provocation against the Republic of Cuba, with the seriousness and danger this entails; they openly violate the sovereignty and security of a state.

It is necessary to state that all the activities this organization is carrying out also represent violations of the provisions governing civilian aviation. Consequently, they may endanger the lives and safety of many persons and aircraft. You must consider as evidence their attempt — reported, as I said, by the U.S. authorities — to make radio and television broadcasts from international airspace. You must consider as evidence the modifications of flight plans they must present to the aeronautics officials from the country in which they originate; the flights at a low altitude or in unauthorized zones of U.S. territory; the use of radio communications for purposes other than those for which they were intended.

You must consider as evidence the intrusion of planes from this organization, in a dangerous or irresponsible manner, in an uncontrolled or unregulated manner, and for carrying out missions different from providing air services, in an area of great activity of international civil aviation and in one of the most active corridors in the Western Hemisphere.

Mr. President: Approximately 400 regular commercial flights travel each day through the air corridors of Cuba. Our aeronautical services always provide the required support and cooperation to these flights. Day after day, thousands of citizens — even U.S. citizens and citizens from many other countries — cross, without risk or difficulty, the skies of Cuba. Not once has there been any incident that has affected civilian transportation in Cuban airspace.

We are, in a few words, one of the countries of the world that provides the most aeronautical services to the companies and travelers from the country, which, nevertheless, not only blockades us but also obstructs the normal development of Cuban activities in this area. Hostile actions and violations of international air navigation laws have also taken place from U.S. territory, throughout the years, and continue to take place against Cuba. We are, to top it all, the country they want to condemn, without any grounds, for an offense for which it was not the perpetrator but the victim.

Cuba quickly expressed its willingness to assist the ICAO because no one more than Cuba is interested in fully clarifying these events and, above all, the certainty that they will not take place again.

We are asking the United States to cooperate fully in the investigation and clarification. Coincidentally, the ICAO is meeting today in Montreal, Canada. Although our delegates will present Cuba's position during this meeting, I would like to share some pertinent points with the Assembly.

Cuba is a founding member of the ICAO and its airline, Cubana de Aviacion, is one of the world's oldest. This organization has never had to request Cuba's attention for any reason. On the contrary, our country provides adequate aeronautical services to airlines and travelers from all over the world. In the history of aviation, Cuba has never violated the territorial airspace of any state, let alone that of the United States. We are in New York, one of the most easily accessible cities by air in the world. Nevertheless, you cannot imagine the distance a Cuban plane would have to fly to get here from our island. It is absolutely forbidden for Cuba to use the international airways that crisscross the United States.

To judge Cuba's legitimate actions to defend sovereignty in its airspace, a juridical document was invoked which is not in force because it has not been ratified in the terms provided for in the regulations. Article 3 bis is just a proposal identified as Resolution A-25-1 agreed on during ICAO's 25th Period of Special Sessions in the [words indistinct] ruled that this amendment, according to Article 94 of the Chicago Agreement, would come into force only after it is ratified by 102 ICAO member states. Only 82 have ratified it.

With astonishment, it was found that an organization holding an emergency meeting questions a state by invoking a legal precept that, strictly speaking, lacks legal force. In this decision, which affects Cuba, 15 Security Council member states participate, nine of which have not signed the instrument, which has not been ratified by either Cuba or the United States.

As the result of the incident provoked on 24 February, U.S. sources, in official statements through various media, have attempted to arbitrarily identify the actions against the Cuban territory as activities proper to civil aviation. The civilian condition of the downed planes has been insisted on very much. Nevertheless, a simple observation of the facts, their antecedents, and concept, clearly shows that such an assertion is groundless.

Havana and other places in Cuba were bombed and strafed on many instances by reportedly civilian planes. Spies and saboteurs have been smuggled into the country aboard reportedly civilian planes. Explosives and incendiary substances were dropped on our sugarcane fields and economic targets from reportedly civilian planes. Biological war actions have been perpetrated against Cuba by reportedly civilian planes.

In this roll call of aggression, including the most recent, those planes substituted their civilian nature for that of planes conducting military actions.

Would the United States have tolerated provocations like those that Cuba has had to tolerate? Would U.S. authorities have allowed planes from Cuba or another country to illegally enter U.S. airspace and drop leaflets with subversive content? What would have happened if civilian planes from Cuba had disobeyed instructions from U.S. air traffic controllers? Could Cuban civilian aircraft penetrate with impunity the air safety zones around Andrews or Fort Gibbs Air Force bases near Washington?

Would the United States have allowed the tacit challenge to its antiaircraft defenses and border protection services? How would the U.S. public have reacted in the face of such a display of impunity by these provokers? The reply does not require much imagination; it is not even necessary to imagine it — they would not have allowed it, as a Department of Defense spokesman recently said when asked by journalists what would have been the U.S. reaction.

Mr. President and Messrs Delegates, Cuba has every right not to tolerate the inadmissible. We exercise the same sovereign right of all states to defend the territorial integrity of our homeland, its sovereignty, and our citizens' tranquillity. No one can play with Cuba's independence and liberty, much less mock them with impunity. No one has the moral right to call us to account, and the country that endorses this is the same that now protects the perpetrators and masterminds of the sabotage to a Cuban civilian airplane which cost the lives of 73 persons in Barbados; and the same one that prevented, with all kinds of procedural maneuvers at this Security Council, the examination of this case.

If the humanitarian concern that is so publicized and displayed today were true, if they had the same interest in making justice prevail, considering only the magnitude of the action, they would have needed only a few hours, at this Security Council, to adopt measures against one of the most reprehensible and despicable crimes in the history of aggression against our people. We ask this assembly if only the powerful, not the poor and small, have the sovereign right to defend their country's border and national security.

If the world tolerates what happened with Cuba, it will then sign a blanket approval for sovereign violations that will turn all the nations of the international community into potential victims.

Suspiciously, all these events converge on a point, the U.S. Congress' approval of the infamous legislative bill aimed at finally blockading the world from Cuba after 35 years of a cruel and renewed economic, commercial, and financial blockade — that this sovereign assembly has condemned for several consecutive years — has failed. It is evident that what was launched was a selfish conspiracy by the Cuban-North American extreme right, in collusion with the most extremist members of the U.S. Congress, not only against Cuba but also against the U.S. Administration, to immerse it in critical contradictions, even problems of a military nature, amid a ferocious electoral battle for the presidency of that nation.

The first consequence would at least be the definite approval of the criminal Helms-Burton Bill. The U.S. Government, which now adopts measures against Cuba, should understand these provocations are also aimed against itself. It should be clear that one of the measures recently approved by the U.S. Government in the heat of these incidents, meaning to support this law, represents in fact an open challenge to the majority condemnation that this same assembly has approved in recent years regarding the economic, commercial, and financial blockade imposed on our country.

It should be clear that the Helms-Burton Law is not a law against Cuba; it is a law against mankind. It is a law against all of you and against all those who wish to exercise the right to establish commercial ties and freely invest in Cuba. It raises contempt for the sovereignty and self-determination of nations to incredible levels; and it tests, from that height, the new world government that the groups which sponsored it reserve for us in the next century.

In addition, it constitutes a test of how far the ultrarightist agenda can be imposed on the U.S. political system and society. (?Your) defense of our territory constitutes an attempt at supranational legislation, which violates the laws of innumerable countries that oppose this; restricts freedom of trade, which seemed to be a sacrosanct principle of modern economy; and creates international legal precedents because of its third paragraph, from the effects of which a single nation in this world could barely escape.

If we review, one by one, the measures that have been adopted in the last few days, we will realize that each one of them quells the political appetite of the Cuban-American mafias from Miami that are desperate about the efforts Cuba is making and results it is obtaining in the recovery of its economy, in the strengthening of its democratic institutions and its dignity, and in the consolidation of the socialism it chose as its people's present and future. These mafias will continue to oppose everything, and everything that will be done will continue to be insufficient for them. They are bothered about the fact that the world is opening to Cuba and that Cuba is opening to the world.

It is an insult for them that the community of nations year after year increasingly condemns the flagrant and mass violations of the rights to life of 11 million people, who are the object of this blockade. It irritates them that the wall of lies they have erected for years around our fatherland is starting to fall down, brick by brick, with each tourist and businessman who comes to the island.

From here, we send an encouraging message for those who a long time ago described as futile all the legal regulations of any foreign country on their businessmen and nationals: Cuba, the island of daring people, will not renounce its path; it will not disappoint the hopes and trust of friends, as well as of its partners, despite the multilateral or bilateral threats and measures with which someone may come up. We will not lose sleep over anything, absolutely anything.

A long time ago we learned that, in light of an arrogant and subjugating neighbor, there is no room for weakness. Living without fear is what has made us survive so far. We are well aware that this challenge constitutes the price of living free and without being owned. We do not speak loudly; we do not resort to unjustified vulgarity or insults. We do not need hysteria or imaginative fables.

In 37 years of struggle, we have learned that the truth is strong, not because of how loud we utter it, but because of the conviction and principles that support it.

We are a small country; however, no one will ever violate, humiliate, or flout our sky, our sea, our land, or our flag. A great deal of blood was shed in approximately 100 years of struggles to free Cubans from all sorts of nationalism and to be able to forge the free, democratic, sovereign, and independent nation we now have. Our history, our dead, and our heroic people deserve a great deal of respect; there is a great deal of tranquillity we expect to give our children to stop taking care of our sovereignty [sentence as heard].

Our willingness to hold talks has been consistently shown in the development of our relations with the United States. Cuba has amply shown its good faith and willingness to resolve the conflicts that have been part of these relations, as well as its determination to honor all the commitments it has made. We have proven this in our conscientious compliance with the agreements concerning the end of the war in Angola, after having fulfilled the duty of supporting the sovereignty of this country with our generous blood; in the implementation of Resolution 435; in the independence of Namibia, and in the end of apartheid.

We have demonstrated it with the trips of citizens between Cuba and the United States and with other forms of communication, with the establishment and development of relations between our country and the Cuban community living abroad, with the immigration agreements, just to name a few examples.

In these and other cases, it has become evident that the problems in bilateral relations between Cuba and the United States can be resolved if there is a desire to do so using appropriate procedures. Cuba retains this desire. We don't want a confrontation, nor is it what we pursue. If the U.S. Government is really interested in eliminating or reducing the points of friction or conflict between our two countries, through discussion and negotiation, we reiterate here that Cuba is and will be ready to advance in this direction.

But if what they want is to try to pressure and threaten Cuba with a condemnation or sanctions, we must ratify here also that we have never yielded to pressure or threats. We did not yield when our people confronted the concrete danger of their nuclear annihilation during the October 1962 crisis, and we will not yield now.

This is the time to demonstrate, in reality, if the world wants peace, welfare, and the right to liberty with justice that Cubans have given to themselves, or if it will support those who, under the disguise of civility, instigate war and prevent good neighborly relations between Washington and Havana, as well as the normal and healthy ties most sons of Cubans living in the United States want with their mother country.

Mr. President: Cuba did not come to this General Assembly just to report the events that occurred, without falsehood or mistakes, and explain its viewpoints on a situation that directly affects it. On the contrary, we are convinced that as of today it is Cuba, but that tomorrow any of us may be a victim of a similar manipulation.

For my country, the role of this organization is not to serve as an instrument of powerful nations to bolster their political options. Its real objective must be to finally achieve a world in which the right to live in peace and dignity is equally respected by all peoples, in which development will replace poverty, unsanitary conditions, and the ignorance that today affect most of the world population. We want a world in which cooperation stops being a meaningless concept and becomes a constant practice, in which justice and equality in international relations become the main law of a different living system, in a planet whose limited areas we share.

We want a world in which peace is not imposed by the force of weapons, but is the result of equal development for all peoples, in which international law is equally applied to all nations.

In sum, we want a world in which the principles of sovereignty, territorial safety, national independence, sovereign equality, and noninterference in the internal affairs of other states are respected without limitations or restrictions, with the spirit that must prevail in the UN's 10-Year Period for International Law. In the struggle of all to achieve these objectives, the international community has counted on and can invariably count on Cuba.

Our people are today working hard to achieve development, in the middle of the difficult circumstances imposed on us by the tight blockade the U.S. Government implemented against us more than 37 years ago. Why doesn't the UN Security Council, which acted so diligently in the case of the two planes that violated our airspace, downed on 24 February, also act to consider this policy of blockade, which this General Assembly has condemned four times?

Why not discuss the current U.S. plans to tighten the embargo even further and criminally aggravate its brutal effects on the Cuban people? Why does it not consider the behavior of a member state which disregards and therefore scoffs at the UN General Assembly's decision? We expect that what we unfortunately are used to will not happen again. This is to say, that an attempt is made to have the victims, not the aggressors, condemned or punished. We have never feared the threats or abuse of power that corrupts and humiliates those who join and submit themselves to it.

A long time ago, when the generation of our forefathers started the final battle to win the homeland's freedom, we learned the lesson that brute force will not be capable of forcing into obedience those who were born and learned to walk the world with their heads up. Thank you.

Cuba: Ministry Official on Draft Resolutions to ICAO

PA0603221696 Havana PRENSA LATINA in Spanish 1938 GMT 6 Mar 96

[FBIS Translated Text] Havana, 6 Mar (PL) — Jorge Peraza Chapeau, legal director at the Cuban Foreign Ministry, said today that Cuba has filed a balanced and fair draft resolution very different to the United States' at the International Civil Aviation Organization (ICAO).

Peraza said during a televised interview that his country is demanding an investigation of the events that led to the downing on 24 February of two U.S. airplanes that violated the island's air space.

During a telephone call to Montreal, PRENSA LATINA was informed that the ICAO has been holding closed-door sessions for over two hours, examining the proposals set forth by Havana and Washington respectively, but details on the matters discussed have not yet been disclosed.

Attending the meeting is a Cuban delegation headed by Ricardo Alarcon, President of the National Assembly of the People's Government (Parliament), Civil Aeronautics Institute President Rogelio Acevedo and Cuban Ambassador to Canada Bienvenido Garcia.

In his statements on television Peraza Chapeau described the U.S. draft resolution as "excessively politicized because it prejudges the incident," in contrast to the position adopted by Cuba.

Cuba: Press Agency Views Response to Robaina's Speech

PA0703040596 Havana PRENSA LATINA in Spanish 2326 GMT 6 Mar 96

[FBIS Translated Text] United Nations, 6 Mar (PL) — At the conclusion of Cuban Foreign Minister Roberto Robaina's speech today at the UN General Assembly [UNGA], the large audience gave a big round of applause. According to many observers, this was the best show of support from the international community for Cuba in its struggle for independence and sovereignty.

In about 45 minutes, Robaina explained, in great detail and with countless arguments, the violations of Cuban airspace and territorial waters throughout the last 37 years, placing emphasis on the last 20 months and the 24 February events.

The events of that day, which exhausted the patience of Cuban authorities after countless demonstrations of prudence and repeated denunciation of its U.S. counterpart, led to the downing of two pirate aircraft that violated Cuban and international laws.

Robaina's statements were the best demonstration of the many things Cuba could have said before the UN Security Council, if the U.S. pressure had not prevented his timely arrival, which consequently resulted in the issuance of a declaration trying to place that country in the defendant's stand.

These remarks also corroborated the Cuban Government's correctness in requesting the resumption of UNGA sessions to explain its views on the most appropriate subject, "UN 10-Year Period for International Law."

The support for Cuba was reflected in the unusually large attendance of the delegations. They were obviously interested in hearing what they could not hear earlier due to U.S. maneuvers at the UN Security Council, which was presided over by the United States in February.

The smokescreens, which Washington put up at the forum of the Security Council through statements to the media and its control of it, started dissipating one by one.

First, it was the arguments to demonstrate the true essence of the promoters of the provocation, "Brothers to the Rescue," their objectives, their ties, and their boss' history. Very few people have doubts about their planes' not-so—civil status.

Second, Cuba's behavior was straightforward before the International Civil Aviation Organization, while the United States invoked a legal motion that is not in effect. Others, which are fully in effect, were ignored.

Third, the real objectives behind these provocations were unmasked. These provocations were measures Washington took to concur with the darkest interests of the Cuban-American mafia from Miami.

Fourth, despite the evidence pointing to the consent of U.S. authorities, Cuba's willingness to hold talks in good faith was always based on mutual respect and no intervention.

Finally, Cuba has complied with UN Charter principles, contributed to building a better world, and promoted the right to live peacefully, not as the result of pressure and impositions, but as a result of the fair development of all the peoples of the world.

This is why the ovation that followed Robaina's statements on such a complex issue, full of ill-intentioned publicity, was not fortuitous; it was the result of understanding.

This applause was perhaps applause the member states were giving themselves for possessing the courage to summon the meeting and, thus, confronting the UN's growing trend toward the supremacy of a single superpower.

The best example of Cuba's strong reasoning was reflected in the repetitive and disjointed accusatory responses given by U.S. Representative Madeleine Albright.

The ambassador even made an unforgivable blooper for a diplomat of her rank. She adds words to a Security Council statement, words that it did not include. Many regarded this blooper as a serious violation.

Robaina was more specific, saying that this was the result of the United States' failure to accuse Cuba before this organization, and an expression of its true intentions. [sentence as received]

The plaintive tone Mrs. Albright used as she referred to her one-day visit to Miami and to her sorrow for the deaths of the four pirate pilots was refuted by Robaina, who reminded her that Cuba was the first one to regret the loss of human lives.

The foreign minister added that the ambassador may have spent a day in Miami, but "in Cuba we have spent more than 30 years living and sharing the pain of relatives, of thousands of victims" of U.S. aggression. The United States has permitted and led this aggression in the air, over land, and on the water.

Curiously, Robaina's responses were applauded, while Mrs. Albright's were immersed in silence.

In conclusion, it would suffice to say that, while the ambassador left through a side door without being saluted by anyone, Robaina was followed for a long time by countless delegates who wanted to congratulate him, hug him, or shake his hands.

Cuba: Robaina Says U.S. Failed To Achieve Goals at UN

PA0703045696 Havana PRENSA LATINA in Spanish 0048 GMT 7 Mar 96

[FBIS Translated Text] United Nations, 6 Mar (PL) — Cuban Foreign Minister Roberto Robaina has said that what happened at the General Assembly shows that the United States failed to achieve what it tried to attain from the Security Council's presidency.

They sought to have Cuba condemned based on evidence presented by the United States only, without hearing Cuba, but they failed, Robaina told newsmen a few minutes after he addressed the delegations of the 185 member countries from the high podium at the UN's highest forum.

Robaina presented a detailed and documented report of violations of Cuba's airspace and jurisdictional waters for more than three decades. He highlighted the past 20 months and gave details of the 24 February incident, when two pirate lightplanes had to be downed after all deterrent measures had been exhausted.

He also said that U.S. arrogance always expresses itself and that this is why everyone saw the U.S. ambassador use the right for reply and refer to matters that the Security Council had not debated and quote regulations that the General Assembly has never approved.

He continued: On top of this, it can be inferred from Mrs. Madeleine Albright's words that the U.S. delegation has completed an investigation conducted by the International Civil Aviation Organization (ICAO), because she clearly said what the sentence is and what Cuba must apologize for.

Robaina continued: Once again, she was wrong, because she spoke of false and fabricated facts. In addition, he said, the United States still has not replied to the question of why they asked us for permission to enter our waters to investigate the area in which the two planes had been downed.

He pointed out: For our part, we did not come here to ask the UN General Assembly to complete the case, only to be heard and say we must all wait for the ICAO's investigation, which Cuba was the first to request.

We feel particularly satisfied, first, because the General Assembly was convened; second, because the number of attendants was impressive, and third, because the applause heard endorsed the right of any country in the world to say everything it wants on this podium, Robaina said.

He added that he had to include in his speech a reference to the Helms—Burton bill, which he described as despicable.

"I want the world to know that perhaps the only difference between this bill and former ones is not its despicable nature but the fact that it goes not only against Cuba but also against mankind, and that it remains to be seen to what extent mankind is willing to permit the United States to rule the world," he added.

He said the United States should understand that today's world is ungovernable and that the United States will not be able to rule it. "I can assure in all certainty that, although some countries could let themselves be ruled, my country will never be ruled from the United States," he remarked.

He said it was not Cuba who opened this discussion with the U.S. side, because Cuba is the one that was provoked and aggravated and the position of an opening in the dialogue was very clear in the speech.

"We want and desire to eliminate points of friction. We want and desire both to eliminate points of conflict and respect each other. But, if the United States wants to speak for us, it is again wrong," Robaina said.

Answering newsmen's questions, Robaina recalled that Cuba was the first country to lament the loss of human lives, as soon as an official statement on the downing of the planes on the 24 February events was released.

"We want the world to lament the number of Cuban people who have been victimized by U.S. aggressiveness, not only by the downing of planes but by the perpetration of much more terrible deeds," he said.

The Cuban people, he said, have not forgotten the victims of the attack on the Barbados plane.

Robaina said he has evidence pointing to the organization Brothers to the Rescue as terrorists and paramilitaries and that some of these pieces of evidence have been handed over to U.S. authorities. He added, however, that not all of the pieces of evidence have been handed over, because not all of them are linked to the 24 February incident.

He added: Cuba has aborted important terrorist plans and detained persons who had been smuggled inside to perpetrate attacks. Some of them can tell the world, any time, what has not yet been said.

He said that the United States speaks of proof fabricated by Cuba, but that his country refers to specific facts, some of which are in the hands of U.S. authorities. Many of the pieces of evidence are in Cuban hands, and those that have to do with the 24 February events will be put at ICAO's disposal.

Regarding the Helms-Burton Bill, he said it cannot be said that Cuba's relations with the world have been seriously harmed, because otherwise the number of people attending the General Assembly meeting would have been smaller.

"We have addressed a message to the world, particularly a message of encouragement and confidence. It was evident today that the United States wants, not only to cast doubts on Cuba's sovereignty, but also to dictate what can and cannot be done with Cuba."

You have already heard the pronouncements of Canada, Russia, and the European Union, "but it is not up to me to speak for other countries," he said.

He said Cuba is willing, and there is every possibility of having normal relations with the world, including the United States.

Asked about links between Brothers to the Rescue and the National Afro-Cuban Foundation, Robaina said: We are not dealing with ties, because they are very easily broken, but with "knots, almost seamen's knots."

Cuba: Robaina's Final Remarks at UN General Assembly

PA0703034196 Havana Tele Rebelde and Cubavision Networks in Spanish 0100 GMT 7 Mar 96

[Final remarks by Cuban Foreign Minister Roberto Robaina to the UN General Assembly in response to remarks by U.S. Ambassador Madeleine Albright; on 6 March; from the "NTV" newscast — recorded]

[FBIS Translated Text] We can discuss this issue in this forum endlessly. This is not Cuba's purpose. What is indeed curious and really impressive and alarming is to hear a country like the United States say that another country violates international law.

Five minutes would not be enough to summarize the long list of international violations of the country that now seeks to condemn us. I would not speak so confidently before a Security Council that offers only insecurity.

I want to make it very clear — I still have five minutes left — that the security in the actions of my country does not depend on the entity that offers the world total insecurity. Nothing is more insecure than when this Security Council meets.

Therefore, it is very difficult to speak in terms that are perhaps now used in the declaration, but which are not exactly those contained in the document approved by the Security Council. I would ask, once more, that the United States not assume the presidency of that body.

Today, it does not preside over that body. If it is going to talk about the declaration, it should adjust the wording of the declaration and not its intentions.

Evidently, it seems the United States wishes to continue to preside over the Security Council.

Many thanks.

Cuba: Alarcon Maintains Right To Defend Airspace

PA0703042696 Havana Tele Rebelde and Cubavision Networks in Spanish 0100 GMT 7 Mar 96

[From the "NTV" newscast]

[FBIS Translated Text] At the International Civil Aviation Organization [ICAO] on 6 March, Cuba defended the right to defend its airspace and requested an investigation into the violations of Cuban airspace by U.S. pirate planes. During the speech at the ICAO, headquartered in Montreal, Canada, Ricardo Alarcon, chief of the Cuban delegation, referred to the flights over Cuban national territory by planes belonging to the counterrevolutionary organization Bothers to the Rescue.

The Cuban delegation stressed that it has irrefutable evidence to prove the violations. In an interview granted to the media, Alarcon affirmed that a serious investigation consists not only of analyzing what happened on 24 February; the facts in the case must also be investigated.

The chief of the Cuban delegation attending the ICAO meeting said that the circumstances, reasons, and causes of the incident must be investigated.

Cuba is a member of the ICAO, but not of the ICAO Council. Meanwhile, the United States, which is an ICAO member, is exerting pressure to approve a draft decrying the 24 February incident. The ICAO, which groups 184 countries, is a UN organization founded in 1944.

Cuba: Robaina Refutes U.S. Ambassador's Remarks at UN

PA0703052696 Havana Tele Rebelde and Cubavision Networks in Spanish 0100 GMT 7 Mar 96

[Foreign Minister Roberto Robaina's reply to Madeleine Albright, U.S. Ambassador to the United Nations, in New York on 7 March — recorded; from the "NTV" newscast]

[FBIS Translated Text] Mr. President, distinguished delegates. I expected to hear something different from the U.S. delegation. To be more precise, we all should have expected to hear a different speech by the U.S. delegate. The U.S. delegate's speech again shows the viewpoint from which the North Americans attempt to portray the events before the international community. Among other things, the United States refers to the events as if they were facts, fabricates articles, and makes remarks saying the Cuban side has laid a smoke screen.

In the framework of these events, we have clearly established Cuba's position from 24 February to the present time. We have simply told the international community that we had every right to be heard. I believe that in the reply, to which the U.S. Government is entitled in this framework, not all the truth was said. The action continues to be presented to the world as something fabricated, like something that resulted from a Cuban initiative, and simply like an aggression that we provoked.

In your speech, Mrs. Ambassador, you have not told the whole truth. It is important for the community to learn to what extent all of the information that we presented here, information that we have in our hands, has reached the highest levels of your government. As everyone knows, and as you also know, what you promised to do, has not been done. It is important to bear in mind that we are not speaking of an action — or, however the United States wants to present it — a Cuban provocation, and excessive use of force. I think it is not as simple as it has been presented. We are not dealing with arguments on what is right or what is wrong. We are dealing with the fact that the United States continues to use a language as if it were possible to rule the world from this country and from a seat here. Because my country, which is the violated and provoked country, is involved in an incident to which we have explained and expressed our willingness to cooperate with an investigation. Nevertheless, it is not only necessary to investigate what happened on 24 February. The distinguished ambassador met with the relatives of the persons who lost their lives in this irresponsible action; but, for more than 30 years we have been living and sharing experiences with the relatives of thousands of victims who also lost their lives as the result of U.S. aggression. We have suffered the loss of hundreds of sons of this Cuban people, in the air, on the ground, and in the sea, as the result of actions directed and permitted from the United States.

Therefore, the idea is not to try to present the U.S. version to the world, or for the Security Council and the U.S. delegation itself to believe that they have every right to close the investigation. It was we who asked the ICAO [International Civil Aviation Organization] to open an investigation. Let it be established that it is not the United States to which we have to hand over the evidence that we have on this investigation. The United States makes the mistake — and I heard it in its own words — of believing that, because of the way it speaks, no closure of the investigation is necessary, because the U.S. intelligence, from the lofty heights from where it looks down on us and wants to rule us, closed the investigation and has launched a smoke screen, a cover, expecting the ICAO to draw conclusions. From what I have heard, conclusions have already been drawn. At least, this is what the U.S. ambassador to this Assembly said.

When we asked for permission to speak, it was not so that the Assembly could investigate. It was so the Assembly could listen to us. I do not think the United States really needs to have the Assembly listen to it, because the United States, since the beginning of the incidents, made sure that the world would listen to it. For this, it took advantage of its power, took advantage of its experience in campaigns like this, and took advantage of its position in the Security Council. It succeeded in making the world listen to it much earlier than it listened to us. We wanted the Assembly to listen to the Cuban side. Let the ICAO investigate and let the United States be fully convinced that the United States is not the only country that has to open an investigation.

For our part, we will cooperate in everything. But, before, during, and after this cooperation, what my country will never permit is that the United States dictate what we must do and that, as always, the conclusions are drawn and the world must accept what the United States says.

I would request a lesson in humility. It is necessary that, for once, the United States listen to the world. And, if it does not want to listen to the world, at least it should show respect and let the investigation be completed. Thanks.

Cuba: Correction to Alarcon on Incident, Migratory Accord

PA2702191196

The following correction pertains to the item headlined "Alarcon Says Incident Affects Migratory Accord," published in the 27 February Latin America DAILY REPORT, pages 14-18;

Page 14, column two, make subslug read: ...[Studio interview with Ricardo Alarcon, president of the National Assembly of the People's Government, by Irma Caceres; from the "NTV" newscast — live]... (indicating item is a live studio interview)

Haiti

Haiti: Deputies Ratify Smarth's General Policy 5 Mar

PA0603172396 Port-au-Prince Signal FM Radio in French 1130 GMT 6 Mar 96

[From "The Waking Up Newscast"]

[FBIS Translated Text] Prime Minister Rosny Smarth, who was designated by President Preval on past 15 February, was ratified after a session during which the deputies bombarded him with questions on his statement of general policy. He got over the obstacles, becoming thus the fifth Haitian constitutional prime minister from 1990 to the present. Fifty-four of the 73 deputies present approved the outline of Rosny Smarth's policy aimed particularly at restoring the authority of the state through a strategy of firm austerity. Three of the other deputies voted against and 16 abstained from voting. Today, Lavalas President Rene Garcia Preval will proceed to install the new government this very morning at 1100. The ceremony will unfold at the Busts' Room of the National Palace. Satisfied with the vote of confidence of the Haitian parliamentarians, Smarth considers continuing the struggle in favor of change while promising to make a considerable effort to solve the numerous problems of the country.

[Begin Smarth recording] I thank the people who followed all the debates on the radio and the television and we tell them that this government is going to work for them, to strive to solve the problems, the big problems of this country. As for me, I have been fighting for the people for a long time, I will not give up, and we will keep fighting. This is what I can say for now. I think the debates were long, but democracy implies that. If there were not democracy, it would be done quickly, it would not even be necessary to hold this session and we would be in front... but dictatorship causes the thing to move slowly. [as heard] Patience is necessary in democracy [words indistinct] [illegible]hink the parliamentarians have shown that they [illegible]ng the role they are supposed to, that is [illegible] to question the executive in order to have [illegible]ove forward together. [end recording]

This was Haitian Prime Minister Smarth after this resounding victory at the Haitian Parliament where he was ratified by both chambers. The latest step took place yesterday at the Chamber of Deputies where Rosny Smarth was ratified by a huge majority. I am recalling that the installation ceremony of the new Haitian head of government, a government that will comprise 15 members, will take place this morning at the Busts' Room of the National Palace.

Haiti: Denize Approved as Police Director For 3 Years

PA0603174296 Port-au-Prince Signal FM Radio in French 1130 GMT 6 Mar 96

[From the "Waking Up Newscast"]

[FBIS Translated Text] The Senate of the Republic ratified Pierre Denize on 5 March as the new director of the National Police Force. Of the 17 senators present 13 voted in favor of Denize, three voted against him, and one abstained. Anyway, we have learned that one of Denize's security vehicles was shot at on the night of 5 March in the Petion-Ville area. Two policemen were injured.

As I said, Pierre Denize was approved yesterday by the Haitian Parliament. He replaces former National Police Director Fourel Celestin. Pierre Denize should occupy this post for the next three years. Listen to the explanations of the Senate vice-president, Senator Samuel Madistin on that subject:

[Begin Madistin recording] Pierre Denize is thus simultaneously ratified as both the director of the National Police and executive secretary of the High Council of the National Police [Conseil Superieur de la Police Nationale, CSPN] for a period of three years.

The Senate of the Republic has always wished the National Police to be led by a man who is able to give his name as a reference because of his morality, his know-how, and his commitment in defending public freedoms. We hope Pierre Denize will be able to justify the confidence that the Senate has placed in him. A letter will thus be sent to the president of the Republic and all those concerned in order to inform them of the vote of the Senate. [end recording]

Haiti: Preval Inaugurates Cabinet, Makes Speech

PA0603215796 Port-au-Prince Signal FM Radio in French 2000 GMT 6 Mar 96

[FBIS Translated Text] Haitian President Rene Preval officially inaugurated the new ministerial cabinet this afternoon at the National Palace.

In his speech, the head of state thanked the prime minister for answering the call of the presidency and the parliamentary majority. Rene Preval especially emphasized the national production, the top priority of all governmental actions, he said. It is inconceivable to keep importing rice when the plains of Artibonite and Les Cayes could allow us to become self-sufficient in this area, Rene Preval asserted. The head of state enjoined the new team to work toward the modernity of the state, to consolidate the democratic process, to definitively mark the breakup with the previous status quo, and, especially, to restore the confidence of the investors.

Prime Minister Rosny Smarth thanked the president for the confidence placed in him and renewed his willingness to work as a team with the other branches of the state because this government must succeed and will succeed, Mr. Smarth stated.

Mexico: Minister Rejects Helms-Burton Bill's Approval

PA0703044296 Mexico City XEW Television Network in Spanish 0400 GMT 7 Mar 96

[From the "24 Hours" newscast — passage within quotation marks is recorded]

[FBIS Translated Text] The U.S. Congress has strengthened the economic blockade against Cuba, which will affect investors throughout the world who trade with the island. The U.S. Chamber of Deputies has approved the Helms—Burton Bill.

Mexican Foreign Secretary Jose Angel Gurria termed unacceptable the U.S. legislative initiative called Act for Cuban Freedom and Democratic Solidarity, better known as the Helms-Burton Bill, which establishes sanctions for any person, organization, or country that trades with Cuba.

[Gurria] "It is a violation of trade agreements like the Free Trade Agreement, which is currently in effect. Also, as we have always said, it is not a position in which Mexico is isolated. The Canadian Government, the European Union, the Caribbean Commonwealth, and all the country groups have stated — either on an individual or regional basis — their concern and rejection."

During the interview, shortly before the inauguration of the UN Plaza in Mexico City, Foreign Secretary Gurria said the Mexican Government is worried that the Helms-Burton Law will try to impose the United States' internal norms beyond its borders.

[Gurria] "The extraterritorial enforcement of a country's laws in another is unacceptable."

Mexico: Zedillo Approval Rating 'Low But Rising'

PA0503164196 Mexico City REFORMA in Spanish 1 Mar 96

[Received via Internet]

[FBIS Translated Text] A poll conducted by newspapers EL NORTE and REFORMA among 14,000 citizens reveals that confidence in the president is still low but rising. The poll took place during the last two weeks of February with the cooperation of other newspapers in the country.

How would you rate Ernesto Zedillo's performance on a scale of one to 10, one meaning very poor and 10 very good?

March 95	6.3
June 95	5.3
September 95	5.4
December 95	5.2
March 96	5.7

Do you approve or disapprove the way in which Zedillo has handled the country?

March 96	Approve	41 percent
	Disapprove	48 percent
	Don't know	11 percent
March 95	Approve 53 percent, disapprove 34 percent	
June 95	Approve 31 percent, disapprove 61 percent	
September 95	Approve 34 percent, disapprove 56 percent	
December 95	Approve 31 percent, disapprove 60 percent	

Do you think that the actions he has adopted so far have prompted the citizens to trust or distrust him?

March 96	Trust	32 percent
	Distrust	60 percent
	Don't know	8 percent
March 95	Trust 55 percent, distrust 37 percent	
June 95	Trust 24 percent, distrust 69 percent	
September 95	Trust 29 percent, distrust 62 percent	
December 95	Trust 25 percent, distrust 69 percent	

Note: The difference between the two figures equals those who did not answered. This poll has a margin of error of approximately 2.6 percent.

Mexico: Three Oaxaca Guerrilla Groups Cited

96CA0120A Mexico City REFORMA in Spanish
19 Feb 96

[Commentary by Raymundo Riva Palacio, journalist and former director of NOTIMEX news agency: "Guerrillas and Oaxaca"; for related reporting see the 18 January Latin America DAILY REPORT — received via Internet]

[FBIS Translated Text] In the last few weeks, notices have appeared in English on the Internet, warning foreign tourists who plan to visit Oaxaca that the region bordering on Guerrero has undergone a change in attitude; the population, friendly in the past, has now become fearful. The notice reports the conspicuous presence of soldiers, in addition to checkpoints run by military troops and federal police. "Be careful if you travel by road," say the warnings. "It is better to travel by bus than in your car, and better during the day than at night. If you want to go off the highway to visit a town, first ask if there is violence there."

The cautions are correct, although geographically limited. Throughout Oaxaca the sociopolitical deterioration is accelerating. At the same time as the military deployment, various international organizations began receiving reports of human rights violations in Oaxaca, including illegal search and seizure, and the persecution and arrest of political leaders. Oaxaca, in fact, is becoming militarized.

What is happening in Oaxaca? According to several media sources in the state, what is going on is the Mexican Government's response to the strengthening of three guerrilla groups that are threatening to turn Oaxaca into another Chiapas, or perhaps even worse: The armed groups in Oaxaca are spread out over three major areas in the state, unlike the theater of operations of the Zapatist National Liberation Army (EZLN), which was limited to the Lacandon Forest.

The main area of guerrilla activity is in the Los Chimalapas region, some 70 kilometers away from the historically combative Juchitan region, which borders on Veracruz and Chiapas. In that area, which is populated by Zapotec and Chontal Indians and which juts into the Lacandon Forest, there has been evidence of guerrilla activity for eight years, according to statements by local residents. It is second only to the Zapatist area (where the uprising took place 25 months ago) in its propensity for rebellion.

Another region of guerrilla activity is San Juan Copala, which borders on Guerrero. It is a Trique hotspot. The military patrol, which has been reported on the Internet for the information of the more than 30 million people with access to it throughout the world, is concentrated on that part in the state. Some officials have tried to counteract the deterioration by blaming the violence on gunmen and drug traffickers. There is indeed such activity going on, but sources in Oaxaca insist that the main thing going on there is guerrilla warfare.

The third guerrilla region is near Tuxtepec, in the Lower Mixe area. The municipal seat of government is Maria Lombardo. Media sources report that the Lower Mixe is where there has been the most movement of soldiers in the state. The total number of troops in Oaxaca is estimated at 25,000; they have been brought in from Guerrero, Chihuahua, Puebla, and Veracruz. In addition, a new air base has been built next to the airport in the state capital, and it is presumed that the base will be used primarily by helicopter-transported troops.

Why is Oaxaca such a hotspot?

To understand the situation, first we must answer this fundamental question: Why do people rebel?

As long ago as 1970, Professor Ted Robert Gurr pinpointed "relative privation" as the root cause of rebellion. Relative privation is the perception by the rebels of a disparity between what they expect to receive and what they are able to acquire. What they expect to receive are the possessions and the standard of living to which they feel entitled; what they are able to acquire are the possessions and the standard of living that they believe they can attain and maintain.

Oaxaca is an example of that disparity: Along with Chiapas and Guerrero, Oaxaca has the most overall poverty in the country. Its literacy rate is 15.85 percent below the national level of 87.39 percent, and the average level of education attained, less than fifth grade, is the lowest in Mexico. The three states are the only ones where the nonfarm population constitutes less than 50 percent of the total work force, and only 8.24 percent of the labor force is employed in the processing or manufacturing industries.

The exclusion of women from the economy and the youthfulness of the population (Oaxaca is second only to Chiapas in the number of children under 15) mean that Oaxaca has the highest number of dependents per person in the labor force. Moreover, more than half of the population in that region earns less than the minimum wage. In addition, Oaxaca has the smallest number of inhabitants earning more than five times the minimum wage.

With regard to living conditions, only 29.9 percent of Oaxacans are connected to sewage systems (the lowest level in the nation), and 40 percent lack running water (only Guerrero is lower). Up to 25 percent of the population in these states lacks electricity, and the number of households using wood or coal to cook is 2.75 times higher than the national average (in Oaxaca, nearly two-thirds of the households are in this category).

In view of this situation, the only surprising thing about the conflict in Oaxaca is that it did not happen sooner. There is certainly no social or political harmony in the state: There is an economic crisis, severe poverty, and a tremendous disparity between rich and poor. There is hunger and, obviously, the belief that legal means for bringing about change have been exhausted.

It is no coincidence, then, that this part of the country has become the most violent, or that the violence is more intense and more widespread than elsewhere. In many parts of Mexico, but especially in the southeast, due to the political and socioeconomic conditions, government officials have forgotten that public order can be maintained only when they give people the means to realize their aspirations.

Obviously, they have been incapable of responding to those aspirations, and they have failed to understand that the violence of the subordinates (that is, the governed) has been provoked by the institutions, by individuals, and by the policies pursued by government officials ever since the beginning of organized political life. Indeed, this phenomenon is not unique to Mexico, nor is it of recent origin. In Europe, for example, this type of political violence has been going on for 25 centuries, whenever there has been an effort to launch an internal attack on a political regime and on its leaders and programs.In this regard, the consolidation of armed movements in Oaxaca, like the ones that continue to take shape in the rest of the country, including Mexico City, is—to simplify a bit—the method used by those who engage in political violence to express their demands or to oppose rules or provisions that they consider undesirable.

On 1 January 1994, the people of Chiapas cried "Enough!" and in Oaxaca, they are so close to chiming in that the Mexican Government is taking action to stop them. That is not the way. In the nation as a whole, there are also discrepancies in the way the government approaches conflicts: In Chiapas it is focusing on the sociopolitical phenomenon and beginning to forge agreements, now that the cost of firing shots has become so high and the avenues for negotiation have been expanded; but in the rest of the country, as in Oaxaca, it is opting for force, intimidation, and repression as methods for solving problems. And no one should assume that, because this is the hallmark of the Mexican technobureaucracy for resolving political conflicts, this is a lost cause, now that everyone has lost their capacity for astonishment.

The Mexican technobureaucracy has systematically demonstrated its capacity to exceed the limits of political insensitivity. A member of the economic cabinet provides an outstanding illustration of this attitude when he comments in private, in a discussion of poverty, that 30 percent of Mexicans have no hope of a better future, so to solve their problem, they should simply be given a credit card (or the equivalent) so that they can buy food and not starve to death. Common sense is assaulted by intellectual aberration; the politician is frightened by the Mexico they dream of.

As with Hitler, there is a kind of historical determinism in this vision. The model does away with any search for a structural solution to a structural problem. According to this reasoning, which is very deeply entrenched in members of the governing elite, one-third of Mexicans are dead weight, because they produce nothing and create a burden. This was the thinking of a renowned professor at the Harvard Business School (to be sure, the rest of the student body at the university rejected his ideas) when he recalled Stalin's order to murder 20 million Soviet citizens: "From an economic, not ethical, point of view, it was a good decision," he explained. "They ate, they consumed, they spent, but they did not generate resources."

They assumed political risks, and they paid the price. The officials of the Mexican Government are already paying the bill, and they should not be surprised when more Chiapases and Oaxacas, or Queretaros, or Guerreros, or San Luis Potosis break out. Indeed, their dreams may turn into nightmares.

Mexico: Creel Stresses Urgency of Electoral Reform

96CA0121A Mexico City REFORMA in Spanish 28 Feb 96

[Commentary by Santiago Creel, citizen counselor on the Federal Electoral Institute's General Council and promoter of the Chapultepec Castle political reform seminar: "Call for Democracy" — received via Internet]

[FBIS Translated Text] Last Monday as part of the Chapultepec Castle Seminar we and many other Mexicans held an event whose purpose was to issue an urgent call for democracy. More specifically, this event was designed to appeal to the government, political players, and society at large so that, united around a common idea, we can facilitate the conclusion of an electoral reform that will quicken the pace of our transition to democracy.

It bears mentioning that this event would not have been possible without the collaboration of individuals and institutions that in various ways lent us their support. In particular, the National Institute of Anthropology and History and the general office of the National Anthropology Museum once again made the museum's facilities available to us.

In addition, the Mexican Academy of Human Rights and the Civic Alliance gave us their unconditional support in organizing the event.

The overriding purpose of this call for democracy was to make it crystal clear that we Mexicans, above and beyond our ideologies and in spite of our political differences, can agree on this common idea: the democratization of our political system. The best proof of this is the presence of the people who took part in this event. First of all, the presidents of the national political parties were in attendance: Carlos Castillo Peraza, the chairman of the National Executive Committee of the National Action Party (PAN), and Porfirio Munoz Ledo, the chairman of the National Executive Committee of the Party of the Democratic Revolution (PRD); Santiago Onate, the chairman of the National Executive Committee of the Institutional Revolutionary Party (PRI), was represented at the event by Agustin Basave, the president of the Luis Donaldo Colosio Mexican Change XXI Foundation. Raul Fuentes attended on behalf of the Labor Party.

Sharing the speakers' platform along with them were various well-known figures: Sergio Aguayo, Clara Jusidman, Enrique Krauze, Lorenzo Meyer, Carlos Monsivais, Juan Sanchez Navarro, and Demetrio Sodi. There is a common denominator to what all of the participants said: a rejection of the old authoritarian methods of acquiring, exercising, and handing out political power. Academics, intellectuals, social activists, businessmen, and politicians were able to join together in a single voice to issue this call for democracy. This call is not just for today; it is for all times, since it has been around practically since our independence. The demand for legal, legitimate, and fair elections has been voiced ever since the first elections were conducted in our country. In a way, we have been discussing and debating the same issues for more than a century now. In this vein, the call that we are making is an echo of the same freedom-loving voices.

The pluralism of the people on the speakers' platform was mirrored in the audience. The call for democracy was echoed by members of a wide range of groups that make up Mexican society: students, intellectuals, deputies, members of civic organizations, citizen counselors in various states around the country, journalists, businessmen, leaders of grassroots groups, opinion makers, etc. By attending this event, these Mexican men and women expressed their commitment to democratic progress for our country.

This call for democracy rests on four pillars. First, there is an urgent need to complete the electoral reform; second, this reform must be implemented through an authentic political consensus; third, the substance of the reform must be as consonant as possible with the 60 conclusions reached at the Chapultepec Castle Seminar; and fourth, political actors must show their commitment to democracy in deed, not just in word.

Electoral reform can no longer wait. A year and a half has passed since the last federal election. We are just a few months away from the next one and we still do not have new rules that can ensure that both the authorities and the electoral process itself are trustworthy. Time is of the essence. This is a weighty responsibility, and only a genuine resolve to democratize can get us out of this pinch. We must simply realize that before the year is out almost 2,000 new citizen counselors on electoral bodies will have to be appointed at the federal, state, and district levels.

Trustworthiness has its roots in legitimacy. The best way to make the new electoral regulations legitimate is to have the same people who must abide by them approve them. Therefore, if the electoral reform is not the result of an authentic political consensus, no one will be able to ensure that the outcome of the 1997 elections will be respected by opposing candidates and voters alike. The absence of a consensus in this regard in no way facilitates our transition to democracy; on the contrary, if there is no consensus, the next election could create obstacles that might alter the course of our transition.

The 60 conclusions of the Chapultepec Castle Seminar are the reflection of a political dialogue that representatives of the various political parties carried on for more than a year. This dialogue, which took place in spite of specific political problems such as the postelection conflicts in Tabasco and Yucatan, among others, resulted in a framework of common ground and rapprochements among the political parties regarding electoral reform. Therefore, we must make the most of these efforts because they represent the seed of an authentic political consensus.

Time is running out on our political transition. No longer can excuse-making rhetoric conceal its passage. The clock is indeed ticking, and as it does we must see actions that reflect an unquestionable desire for democracy that will enable us to complete the current political transition successfully. This is a commitment that binds us all; hence, we would like our call for democracy to fall on receptive ears sooner rather than later.

Mexico: Obstacles to Reform Legislation Cited

96CA0122A Mexico City REFORMA in Spanish 28 Feb 96

[Commentary by Julio Faesler, director of the Council for Democracy: "Public Responsibility and Electoral Reform" — received via Internet]

[FBIS Translated Text] Government reform is beginning with the electoral system. Right now the greatest responsibility facing the government and the political parties represented in Congress is to offer the Mexican community this indispensable basis for our comprehensive development.

This was the sentiment expressed at the major event staged the day before yesterday at the Museum of Anthropology. Presidents and representatives of political parties, academics, and spokespersons for civil society gathered there in response to the summons of Santiago Creel and Jose Agustin Ortiz Pinchetti, citizen counselors of the Federal Electoral Institute (IFE). The participants emphasized the urgent need to bring to the electoral bargaining table the conclusions reached by consensus at the Chapultepec Castle Seminar.

No one has any doubt about the urgent need to solve, once and for all, the pre- and postelectoral conflicts that sap so much social energy. If we all manage to work together to lay down the rules so that electoral democracy can begin to function, the path will be clear to the next stage, that of political democracy. In that stage, there will be a debate on the pressing national issues awaiting decision by the representatives of the people, who will have been elected in an open process to make such decisions. Until this happens, we cannot face the challenges of the coming century, seize opportunities, or avert the dangers of a globalized world.

Perverse Games

But electoral reform has been put off, in spite of the expiration of legislative terms. The first session of Congress begins on 15 March. By then there should be specific proposals on the table for the elements necessary to regulate the federal elections of 1997.

A "definitive" electoral reform cannot be devised by the executive branch alone if it is to receive widespread acceptance; the consensus and endorsement of the principal political parties are necessary. For reasons that are well known and that have been explained in detail by the parties involved, such a quorum does not exist at present. As a manifestation of their grievances against the ruling party, the opposition parties feel compelled to walk away from the bargaining table every once in a while. Now it is the National Action Party (PAN); a few weeks ago it was the Party of the Democratic Revolution (PRD).

If the fundamental objective of the changes in electoral legislation is to do away with the abuses that have characterized the ascent and continued power of the ruling party, we can assume that the latter will try to defend itself against the threats to its hegemony that will necessarily be contained in the electoral reform. The official rhetoric about the unequivocal political will to bring about reform is at odds with the harsh reality of the manipulation and abuse that the ruling party must surreptitiously resort to in order to remain in power.

It is apparently impossible for the PRI [Institutional Revolutionary Party] to stop protecting governors with shady reputations like Figueroa, the murderer of Guerrero; Madrazo, the unscrupulous governor of Tabasco; Cervera Pacheco, the *cacique* of Yucatan; or Bartlett, the manipulator of elections in Puebla. To keep Espinosa Villarreal in office in the Federal District come hell or high water, and to maintain the flow of pleasures with which he periodically rewards himself, despite the widespread reproach of the populace of the metropolitan area, the PRI is paying another high price in terms of general repudiation. Because it has not cast off these millstones, the official system must pay an increasingly onerous cost in terms of growing internal ungovernability and international discredit.

The PRI is trying to offset these past commitments with a democratizing and reformist image.

The contrast between what the PRI preaches and what it practices is even more stark right now, when it is trying to negotiate the long-awaited electoral reform with the other parties. But neither the PAN nor the PRD is willing to accompany it down the two-way street of negotiating agreements to improve electoral legislation while at the same time tolerating serious violations in the balloting process.

As with everything else in life, behavior matters more than rules. It makes no sense to forge ahead negotiating electoral rules that will never be followed. Hence the withdrawal of the opposition parties from the reform bargaining sessions. The PRI cannot claim to have been deceived.

What About the Community?

In view of this situation, the Mexican community may well wonder whether its interests are being properly defended by the parties that claim to represent it in the political sphere. We can understand them all, given the terrible historic burden that one of them bears, and we can agree that withdrawing from the bargaining table is the most effective weapon for forcing a change toward more credible behavior on the part of the ruling party. The organizations of civil society would do well to express this publicly. It would be suicidal for the PRI stubbornly to persist in protecting the antidemocratic practices of its members.

Two Roads to Reform

Can the impasse in which we find ourselves be resolved? Certainly. The ruling party must take the first step. When it has the courage to overcome the historic burden it bears and stop identifying itself with the shady individuals who have so severely tarnished its reputation, it will be able to demand that its members practice the electoral ethics necessary to support and implement any legal reform, no matter how insignificant.

The second path that electoral reform efforts must take—and curiously, no speaker stated this at the event at the Museum of Anthropology—is the indispensable active participation of the citizenry in the reform negotiations.

Citizen participation may not be a theme that inspires much enthusiasm in the political parties or in the government itself. Both would prefer to keep the negotiations within the closed circle of the congressmen and Interior (Gobernacion) Secretariat officials. They think the participation of citizen representatives in these battles is completely useless, and what is more, unjustified. The opinions of civil society have been gathered by the political parties and the government, and will be given due consideration at the appropriate time.

There are matters, however, that are of particular interest to the citizenry. But because they do not figure in the strategies of the government, which seeks to avoid problems with the parties, or of the parties, whose purposes are not served by them, they will never be given the appropriate attention and will not be defended in the negotiations.

The most important of these matters will be the rich array of citizen participation mechanisms that modern democracy requires and that must be defined at the bargaining forum titled "New Relationship Between Government and Society."

There are other issues, such as independent candidacies, the revocation of mandates, and even public hearings to overrule unwise decisions made by officials, which should be duly explained by experts from civil organizations at the forums called "Electoral Issues," "Strengthening of the Legislative Branch," or "Federalism."

In Conclusion

The Chapultepec Castle Seminar made it clear that the citizens are demanding a complete reform of the state that will be respected by all. But when it comes to laying the groundwork for a modern participative democracy in our country, the event held the day before yesterday revealed only one facet of the issue, the pressure that the Mexican citizenry is exerting for this goal. But the citizens cannot turn away from the other facet: their presence and active participation in the negotiating sessions for government reform alongside the other players in the process; a process that is the most important one of our time.

Honduras

Honduras: Private Sector Reasserts Investment in Cuba

PA0703042896 Panama City ACAN in Spanish 0026 GMT 7 Mar 96

[FBIS Translated Text] Tegucigalpa, 6 Mar (ACAN-EFE) — Adolfo Facusse, president of an organization of Honduran businessmen, today rejected U.S. sanctions against foreign investors who trade with Cuba because this "is not an international crime."

Facusse, president of the Honduran Council of Private Enterprise (COHEP), defended the investments that some Honduran businessmen have made in Cuba in recent years.

Miguel Facusse, who has extensive African palm plantations, is one of the leading Honduran investors in the Caribbean island.

The U.S. Senate and Chamber of Representatives have approved the so-called "Helms-Burton Bill," which strengthens the economic embargo against Cuba and sanctions foreign investors who trade with that country.

The law was passed 11 days after Cuban jets shot down two small airplanes belonging to the anti-Castro group "Brothers to the Rescue" while they flew over Cuban airspace.

The COHEP president said "having investments in Cuba is not an international crime."

He added: If foreign investments in the nation are suspended, "the ones it would affect would be the Cuban people."

Panama

Panama: No Meeting Planned Between Balladares, Perry

PA0103154496 Panama City EL UNIVERSAL DE PANAMA in Spanish 1 Mar 96 p 1

[FBIS Translated Text] U.S. Defense Secretary William Perry will not meet with Panamanian President Ernesto Perez Balladares, Panamanian Foreign Ministry adviser Jose Isabel Blandon has reported.

Blandon said the presence of military bases in the country beyond the year 2000 will not be discussed with Perry because the talks on this subject have been suspended until Panama makes consultations. Blandon also said Balladares will not be in the country by the time Perry comes to Panama. Perry will visit the Southern Command on 9 March, but it has not been reported whether or not his visit has any bearing on the appointment of a new Southern Command chief.

Panama: Peru's Fujimori on Trade Ties, U.S. Certification

PY0703035296 Madrid EFE in Spanish 1955 GMT 6 Mar 96

[By Viodelda Barria]

[FBIS Translated Text] Panama, 6 Mar (EFE) — Peruvian President Alberto Fujimori said today in Panama City that the United States must check the entry of drugs and that it is not up to them to evaluate the rest of Latin America in the struggle against drug trafficking, in reference to Colombia's decertification.

"I insist and reiterate that we are blamed for being responsible for producing and exporting drugs, but as a Latin American I ask myself why the United States doesn't control importation and consumption," said Fujimori in a news conference before concluding his two-day official visit to Panama.

Fujimori asked which country "launders" the greatest amount of money, which he calculated in about $500 billion per year.

Regarding the decertification of Colombia by the U.S. Government on drug enforcement, Fujimori said that "no country in the world has the right to impose bilateral measures" on other countries because the measure affects the economy of the country being punished.

Fujimori believes that this practice must be "abolished" because all countries are involved in the struggle against drug trafficking."

Regarding a negotiation to establish a free trade bilateral agreement between Panama and Peru, Fujimori said that it is "healthy" that this possibility is being studied although he noted that their macroeconomic policies are different.

Fujimori said he found that the Panamanian Government is willing to explore this possibility and that this will can help to make progress gradually toward that objective.

As for the problem of terrorism, he emphasized that it is not a matter involving just one country, because terrorist organizations have international contacts. He recalled that Peru suffered the political violence of guerrilla groups for 13 years, noting that his government managed to put an end to it two years ago.

Asked about democracy in his country and about his personal government style, Fujimori emphasized that his re-election — contrary to most cases in Latin America — resulted from an opportunity given to the people to decide whether they wanted him to continue with his government work.

He remarked that he exercises power as set forth in the Peruvian Constitution, and also as the supreme commander of the Armed Forces. He added that this does not hurt freedom of opinion, and that now Peruvians enjoy real democracy, instead of the "cartoon" democracy that prevailed before his first term (1990-1995).

Fujimori and his Panamanian counterpart Ernesto Perez Balladares today signed three bilateral agreements: One on drug enforcement; one on tourism cooperation; and they exchanged notes eliminating the tax on income generated by the international exploitation of airplanes.

The two leaders signed a joint statement in which they emphasized their satisfaction over the "consolidation of democratic institutions and the respect for the state of law in Latin America."

They emphasized the international action that the guarantors of the Rio de Janeiro Protocol (United States, Brazil, Argentina, and Chile) have undertaken to settle the border conflict between Peru and Ecuador.

Fujimori and Perez Balladares said that they are "fully confident" that on 31 December 1999, Panama will "professionally, efficiently, and reliably" assume management of the two-ocean channel, which on that date will be transferred to Panama under the terms of the channel treaties signed in 1977.

They noted the importance of Panama's incorporation as observer into the Andean Pact (Bolivia, Colombia, Ecuador, Peru, and Venezuela), at the Andean presidential summit that will begin on 8 March in the Peruvian city of Trujillo. The summit will be attended by Perez Balladares.

Fujimori, who today will open the 14th EXPOCOMER international commercial fair, announced that he will make an official visit to Mexico between 25 and 27 March, to "continue promoting bilateral relations between the two nations."

Panama: Peru's Fujimori on Panama Visit

PA0503202196 Panama City Telemetro Television Network in Spanish 1200 GMT 5 Mar 96

["Exclusive" interview with Peruvian President Alberto Fujimori by Telemetro News Director Dorita de Reyna, at the Presidential Palace in Lima on 29 February — recorded]

[FBIS Translated Text] [Reyna] Mr. President allow me to first thank you for granting this exclusive interview to Telemetro, particularly at a time when you will begin an official state visit to Panama shortly.

[Fujimori] I am delighted and I want to take advantage of your program to send my friendliest greetings to the Panamanian people.

[Reyna] There are expectations about your trip. The question is why at this moment? Is it connected with issues such as drug trafficking, terrorism, investments, or is it simply a visit to a friendly country?

[Fujimori] It is undoubtedly an important visit to a friendly country. We want to foster and strengthen the friendly relations that Peru and Panama had and continue to have but which turned cool for a short while, as you know, in 1992. In addition, this visit coincides with an invitation to inaugurate an international fair in Panama. A flowing relation between presidents is always important. In addition, I am going to talk with businessmen about mutual investments and increased bilateral trade for the benefit of the two countries.

[Reyna] Peru produces the raw material to make cocaine and Panama has become one of the places for the transit of this drug to other markets, what kind of agreement might Panama and Peru sign in the struggle against drug trafficking? Is your visit directly linked to this?

[Fujimori] It is not the main point. However, at the Latin American Summit, Panama presented a proposal so that some of the military installations under U.S. Administration right now may become a center to establish the strategy in the struggle against drug trafficking. Relations between Peru and Panama are also very close in the struggle against drug trafficking.

[Reyna] Are you considering the possibility of a treaty to exchange Peruvian drug traffickers who commit crimes in Panama or Panamanians who do likewise in Peru?

[Fujimori] There is no treaty at this time. The only mechanism — annoying and long — is that of extradition. However, I do not rule out the possibility for an agreement of this kind in the future.

[Reyna] Continuing the topic of possible agreements, are there any indications that there is Peruvian money in Panama, money from drug trafficking, terrorism, or bribery or is your government interested in reaching a banking agreement that will allow Peru to recover that money?

[Fujimori] I think it would involve an important international agreement to investigate money laundering. I have no doubts that in various countries, not necessarily in Panama or Peru, the money exists in some banks. The thing is that banking regulations prevent us from conducting a thorough investigation. The amount involved is at least $500 billion. But the largest sums of money are not here in Peru or in Panama. It is in the developed or consumer countries. It is there where more emphasis must be placed to investigate drug funds.

[Reyna] The United States for example?

[Fujimori] The United States and the European countries. Look, there is always talk about the Colombian mafias, the Peruvian mafias, and probably the Panamanian mafias, but there are also American and European mafias. I do not know why the mafiosi always have to be Latin American? They are not. It is not that we are saying that there are none. It is not so. But we must look at the overall picture of this problem and the biggest problem is the consumer not the producer countries.

[Reyna] Continuing with your visit to Panama, do you agree with signing cooperation agreements to fight terrorism in all its phases, as well as agreements to fight gunrunning, the exchange of drugs for weapons, bank accounts in the name of terrorists, etc? Are you willing to begin talks on this with the Panamanian Government?

[Fujimori] It is possible that this type of conversations be included in the agenda. Both countries are interested in them. I am certain that both Panama and Peru are willing to discuss them.

[Reyna] Mr. President, it is said that Peruvian terrorists come to Panama to rest and to make international contacts. Do you have information about this?

[Fujimori] We establish very close surveillance with our national intelligence system, which is among the most effective on the American Continent, on members of Shining Path as well as of the MRTA [Tupac Amaru Revolutionary Movement]; that is, on its few remaining members.

We do not have reliable information that Shining Path members come go to Panama to rest. We had indications that MRTA leaders were in Panama as was later confirmed. The presence of MRTA leaders was confirmed but not that of the Shining Path.

[Reyna] Has your government asked the Panamanian Government for cooperation in this area? That is, to detect...

[Fujimori] There was certain coordination at the police level in the wake of my visit here for the presidential inauguration. We sent an advance team of the national intelligence service to detect the presence of MRTA members.

[Reyna] Mr. President, given that we are talking about terrorism, sentences, and... [pauses] let us talk a little about Pacifico Castrellon. His arrest and sentencing to 30 years in prison has made some think that this sentence is too severe for someone who had had no previous links to international terrorism, and who did not have a criminal record. Is a reduction of sentence possible? Could he be allowed to serve his sentence in Panama?

[Fujimori] That decision, according to the legislation promulgated by the Congress, must be made by the Supreme Military Justice Council, which will be the third and last body to handle his case. Pacifico Castrellon, who is not that peaceful [pacifico], was sentenced to 30 years in prison.

He is linked to the hierarchy of what remains of the MRTA, that is, with [MRTA Leader Miguel] Rincon Rincon. His links were so tight that he was being protected. Thus, the Supreme Military Justice Council is the body that will make a decision. In principle, the policy of our legislation is to punish terrorists severely. With the capture and sentencing of Pacifico Castrellon to a number of years in prison we are doing a favor not only to Peru, but to the region, including Panama, because these terrorists have international connections and they must be put away to ensure they commit no more atrocities.

[Reyna] Although you said that this will finally depend on the council, would you, nevertheless, be willing to mediate before it to allow Castrellon to serve his sentence in Panama, or to reduce his 30-year sentence?

[Fujimori] The Executive Branch cannot meddle with the Judicial Branch, in this case, with military jurisdiction. There are no agreements to allow serving sentences in the country of origin, in this case, Panama. In principle, I disagree with allowing a person to serve a sentence in his native country, because the crime was committed in Peru, and he must serve his sentence here. Moreover, we want to be completely certain that the sentence will indeed be served.

U.S. citizen Lori Berenson was condemned to life imprisonment and her case is under review. If condemned, she will have to serve her sentence here. We do not want to see her free three to four years later and returning to Peru to plant a car bomb such as the one that exploded in Oklahoma.

[Reyna] Mr. President, Peru is a natural user of the Panama Canal. What does the government think about the fact that Panama will assume full control over the interoceanic waterway in the year 2000?

[Fujimori] We view this as a vindication and we waiting for this to happen in the year 2000. We will celebrate it together as Latin American brothers that we are.

[Reyna] Will your government make a special request? Are you thinking about a special request regarding the tolls?

[Fujimori] I have always believed that this topic should be coordinated, because an important part of our international cargo goes through the Panama Canal, and thus, this type of coordination would be useful.

[Reyna] As you know, in our country we have sufficient territory in the reverted areas so that South American countries with Pacific coasts — exporters of raw materials — can obtain port and storage facilities, access to maritime traffic, etc. on their way to the United States, the Caribbean, and Europe. Has your government planned the way to make optimum use of the advantages Panama has to offer?

[Fujimori] This is a very important and interesting concept. In the Peruvian case, it will allow Peru to have its products there at the Panama Canal ready for distribution. It can become a distribution center to take care of orders from different countries faster. This is a possibility that I think we must take advantage of, however, this must be done in coordination with the private sector. The state does not participate directly in this.

[Reyna] Peru is a mining country traditionally, particularly when it comes to copper. What possibilities does Panama have to use the Peruvian experience in mining production?

[Fujimori] Likewise, I think it should be done through the private sector. With regard to mining production, we are willing to cooperate on that matter.

[Reyna] Even if it involves a possible competition with your mining production, especially now that the price of copper is lower than in the past?

[Fujimori] Well, raw materials always have their ups and downs. However, the are no restrictions when it comes to Latin American brothers. The concept of competition is fine and Panama is welcomed to the copper market.

[Reyna] On the political scene, the new Peruvian Constitution does not set a limit to presidential reelection. Are you planning to run for a third time or are you grooming your successor?

[Fujimori] I rather give you no direct reply on this issue because I have only been in government seven months, since the end of July to date...

[Reyna, interrupting] ...of your second period.

[Fujimori] [laughs] Of my second period. It is a total of five years. Therefore, it is not the time to talk about that subject.

[Reyna] Of a reelection.

[Fujimori] Yes, of reelection.

[Reyna] But we can continue talking about politics?

[Fujimori] I am delighted to do that.

[Reyna] I have heard you criticize the traditional political parties, blaming them for Peru's economic and social problems. Do you think political parties must disappear? Do you favor new ways of political organization?

[Fujimori] I have been critical. I have criticized them very harshly. The people have also punished them too. In the most recent presidential elections, in April 1995, the largest political parties of Peru only received 14 percent of the votes. The rest of them went to two independent candidates who received a total of 67 percent. Thus, there is a crisis in the political parties. The system really did not work. There was talk that we had a democracy with the participation of various political parties but what kind of a system was that? It was only an exchange or alternation of power among the top leaders of the political parties. This is why I called it partycracy [partidocracia], a system that led us to chaos and the collapse of Peru.

[Reyna] With regard to this, after you dissolved Congress on 5 April 1992, you have been described as an authoritarian president, a dictator with a democratic appearance who controls the parliaments and the judiciary. How do you define yourself?

[Fujimori] It is not a matter of having a democratic appearance. Very seldom a president with five years in office gets reelected with 64.4 percent of the votes. It is not simply an appearance. He is truly president as a result of a clean and democratic election. He is there by the sovereign will of the people who rejected the top leaders of the political leaders. It has been said that President Fujimori is authoritarian. No. However, if the principle of authority, order, discipline and moral values are restored in a country where there was chaos and disorder and you want to call me authoritarian, then you can describe me that way. But I believe that these are necessary principles. You can see that here we have full freedom of the press, there is a congress, freedom of opinion, there is no terrorism, in other words, we live in a full democracy.

[Reyna] Since you have said there is a congress, will you again dissolve Congress if it does not follow your political instructions?

[Fujimori] Congress does not follow my political instructions. That a coordination exists between the majority in the congress and the president is normal in every democracy, and presidents seek, wish to have a majority of their party in the Congress. We have a rather comfortable majority, 67 congressmen out of a total of 120, plus others who support the government's policies. As some say, it is not that it is subservient. Full debates are held in the congress, as in any other congress. What happens is that we have excellent coordination, and the measures can be taken with greater ease, expediency, and efficiency.

Congress is not — actually it still is — a place where there is a lot of talk. Actually, it is still is, but not as much, and most of all, specific measures for the benefit of the country are taken. It is not buried in speeches.

[Reyna] It is said you are a political prisoner of the military and do not do a thing before consulting them ahead of time. If this were the case, isn't this dangerous for democracy in Peru, and the region even?

[Fujimori] I can flatly tell you that I consult my conscience. I consult the Council of Ministers. I coordinate matters with the Congress of the Republic. But such a relation does not exist. The relation is that the president of the Republic is the supreme chief of the Armed Forces. I am not supreme chief of the Armed Forces in name only. It is not my personality to carry here a medal that reads supreme chief of the Armed Forces and not give the orders. I am the boss of the Armed Forces. I am the supreme chief, and I think that an interesting process has taken place here. After many years, the president has real command of the Armed Forces, he gives the instructions, something that in the military parlance is referred to as the orders. I give the orders and they are obeyed.

The interesting process is that the Armed Forces are an integral part of the state. It is no separate power. We no longer have a civilian power and a military power. No. We have the president, who represents civilian power, and the Armed Forces, that are part of the state. The Armed Forces enjoy a great prestige now thanks to my instructions or order. The Armed Forces have a close relation with the people. For instance, they build community roads in very large areas. They have become the second most prestigious institution in the country, after the Catholic Church. There is barely one-point different.

[Reyna] Following 5 April 1992, your government was criticized for curtailing freedom of the press. What is the current situation of freedom of the press in Peru?

[Fujimori] From that 5 April 1992, full freedom of the press has been in effect. It suffices to see all the daily newspapers... [pauses] except for the two days following 5 April in which we had a slight... [pauses] some control to avoid distortions of the news. Afterward, the news media were allowed full freedom. Now, citizens are free to express their views. For instance, this is the case in the universities because we no longer have terrorism. Before, there was no freedom of expression because the universities were controlled by terrorism, something the so-called democratic regimes, and the dictatorial military regimes as well, allowed to make headway.

This government, which took drastic measures, is allowing full freedom of expression. To talk about freedom of the press, it suffices to look at the newspapers. There is practically no news media in favor of the government. This is full freedom.

[Reyna] Mr. President, after that 5 April, the Panamanian Government, then headed by Guillermo Endara, also broke diplomatic relations with Peru. How would you describe current diplomatic relations between Panama and Peru?

[Fujimori] They are excellent. However, we wish to strengthen these relations. I maintain a flowing communication with President Perez Balladares. Both of us are interested in maintaining very close relations at all levels. This explains why I am currently visiting this country. In addition, I expect a visit by your president...

[Reyna, interrupting] Perez Balladares.

[Fujimori] On the occasion of the Andean presidential summit as well as an official visit to Peru in the future.

[Reyna] What is Peru's position regarding Panama's admission into the Andean Pact?

[Fujimori] Well, we must strengthen the Andean Pact. We are undergoing an adjustment process, making certain reforms and updating ourselves in an attempt to find compatibility among the five members. I believe, however, that Latin American countries, including Panama, should build increasingly broader blocs. We are building blocs that are not closed. Latin American regionalism should become broad, particularly for all Latin American countries.

[Reyna] Mr. President, one final comment. Latin American governments are experiencing corruption symptoms. Some examples are Alan Garcia in Peru, Carlos Andres Perez in Venezuela, Collor de Melo in Brazil, Salinas de Gortari in Mexico, and most recently, Ernesto Samper in Colombia. What is your opinion in this regard?

[Fujimori] Perhaps this is part of or an effect of the political systems that have made it possible. Fortunately, however, people are becoming aware of the need to fight corruption. I believe that we should be merciless in our fight against corruption. Above all, we should modernize our legal system, because there might be a case in which corruption is detected or proved, and it might happen that the individual involved is exiled in another country with all the protection and rights pertaining to asylum and then...

[Reyna, interrupting] Is this a reference to Alan Garcia?

[Fujimori] In general terms, I am not making any reference to anyone in particular. Nevertheless, the system itself allows this impunity to continue. I believe that reforms should be made in this regard. Reform in...

[Reyna, interrupting] Would a consensus then become necessary?

[Fujimori] Of course, an international agreement or treaty would be necessary. For example, reforms to the Judicial Branch in Peru and, I believe, in some other Latin American countries should be much more profound.

[Reyna] Mr. President, thank you once again for this interview. Let me tell you in advance that, I believe, you are welcome to our country.

[Fujimori] Thank you very much. I am very pleased with this opportunity to visit Panama on behalf of the Peruvian Government and people. Thank you very much.

Argentina

Argentina: Ministry Outlines Falkland Islands Policy

PY0603220396 Buenos Aires TELAM in Spanish 1651 GMT 1 Mar 96

[FBIS Translated Text] Buenos Aires, 1 Mar (TELAM) — The Foreign Ministry has stressed that the government has made great efforts through negotiations to resolve the Malvinas Islands sovereignty conflict with the United Kingdom.

The Foreign Ministry said: "The government has continued to implement a policy to change the status quo in the South Atlantic, which is characterized by a de facto British control of the Malvinas Islands, South Georgia, and South Sandwich Islands and the surrounding ocean zones."

The Foreign Ministry added that in pursuance of that objective the Foreign Ministry "sought agreements in the areas of fishing and hydrocarbons, contacts with the islanders, and communications with the Malvinas."

The document says the ministry made every effort in multilateral forums to ensure the support of the international community on "the start of negotiations on the issue of sovereignty over the Malvinas Islands, South Georgia, and South Sandwich Islands."

These remarks are included in the "Detailed Report on the State of the Nation" that accompanied the presidential speech before a joint session of Congress on 1 March.

The document recalls that on 27 September the Argentine and British foreign ministers signed a joint declaration establishing bilateral cooperation in the field of hydrocarbons and permitting, for the first time, the participation of Argentine companies in oil exploration and exploitation in areas around the Malvinas Islands.

The document also stressed the policy of preserving fish resources within the framework of Argentina's participation in the meetings of the South Atlantic Fishing Commission.

The Foreign Ministry says that on 13 June the OAS General Assembly approved "by consensus" a declaration on the Malvinas Island question and that the UN Decolonization Committee on 13 July called on Argentina and Great Britain "to start negotiations" toward resolving the dispute over the southern archipelago.

The Foreign Ministry also recalled that Argentina was a non-permanent member of the UN Security Council during the 1994-1995 period.

The document stressed that from this forum Argentina "participated more actively in maintaining international peace and security."

The document also notes that Argentina proposed a declaration on the Nordiya (Israel) terrorist attack, which "for the first time was approved by a consensus of Security Council members" and which characterizes Israel as "the victim of terrorist aggression."

The document includes a long chapter on the participation of Argentine forces in UN peace missions in the Middle East, Angola, West Sahara, former Yugoslavia, Mozambique, Cyprus, Haiti, and Rwanda.

Another important issue noted in the document is the signing of the Inter Regional Framework Agreement between the EU and Mercosur [Common Market of the South] in Madrid last 15 December, which "paved the way for the institutionalization of a substantive political dialogue" between both blocs.

The document outlines the importance of the Fifth Ibero American Summit of Heads of State and Government on 16 and 17 October 1995 on the issue "education as an essential factor for economic and social development."

Regarding Mercosur, the Foreign Ministry says member countries "reached the stage of Free Trade Zone and Customs Union as of 1 January 1995," adding that the approval of the Ouro Preto (Brazil) protocol gave the regional market "international legal status that enables it to negotiate with third countries or blocs."

The document stresses that commerce within Mercosur "topped $15 billion, or 25 percent more than the previous year," adding that member countries are seeking "an integral agreement" for Chile to join the bloc this year.

Argentina: UK Decision To Impose Fishing Fees 'Absurd'

PY0603220096 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1948 GMT 5 Mar 96

[FBIS Translated Excerpt] Buenos Aires, 5 Mar (NA) — Foreign Vice Minister Fernando Petrella today noted that the conflict with the UK over fishing around the Georgia islands "visibly exposes the absurd and irregular situation prevailing in the South Atlantic."

Petrella emphasized: "A country, the UK in this case, claims on its own sovereign rights over minor insular territories that are very, very far from the metropolis and by doing this, excludes, in an absolutely unfair and even unethical manner, those of us who have had traditional fishing practices in that zone."

In this regard, Petrella indicated: "At some point British public opinion and the British people will have to make an attempt to change this situation."

With regard to the Argentine Government's stance on this issue, which arose when a British ship required an Argentine ship to pay fees to fish near the Georgia islands, Petrella pointed out: "Argentina is not causing an incident."

Petrella also described as "absurd" a decision by the "UK of not only attempting to govern an administration so far away from the metropolis as if it had sovereignty over it, but also seeking to collect, exclude, and decide who is authorized and who is not authorized to catch a renewable resource that is the property of humanity." [passage omitted]

Argentina: Trawlers Advised Not To Fish South Atlantic

PY0603152596 Buenos Aires TELAM in Spanish 2048 GMT 5 Mar 96

[FBIS Translated Excerpt] Buenos Aires, 5 Mar (TELAM) — While upholding Argentina's claims to sovereignty over the South Georgia and Sandwich Islands, Chief of Cabinet Eduardo Bauza today advised Argentine fishing vessels against operating within those South Atlantic islands' exclusive economic zone.

Commenting on Britain's intentness on collecting fees from Argentine fishing vessels, Bauza underscored: "We are going to assert our rights," and reiterated his recommendation that Argentine vessels "refrain from sailing" within those islands' 200-mile limit "to avert danger."

In reply to a question regarding whether Argentine vessels could be under threat of attack, the chief of cabinet said: "We have information that there are two Royal Navy warships patrolling those waters to prevent vessels sailing under the Argentine or any other country's flag from fishing in those waters unless they pay fishing fees."

Bauza made these remarks today before attending a seminar sponsored by The Economist Conferences at the Sheraton Hotel of Buenos Aires. The chief of cabinet once again stressed that "the Argentine Navy will not take any steps" against Britain.

The chief of staff emphasized: "We are going to keep our word in that we must find a negotiated settlement to this issue and that we shall never, ever resort to the use of force." Bauza termed the 1982 armed conflict [with Britain] "a painful experience for us, Argentines, which we do not intend to go through again."

This notwithstanding, Bauza made it clear that "we are going to assert our rights before international fora, so that a pronouncement will be made on this high-handed behavior, which also constitutes a violation of Argentine rights." [passage omitted]

Argentina: UK Foreign Office Explanation Called 'Amazing'

PY0603181796 Buenos Aires TELAM in Spanish 1331 GMT 6 Mar 96

[FBIS Translated Excerpt] Buenos Aires, 6 Mar (TELAM) — Deputy Foreign Minister Fernando Petrella today impugned the [UK] Foreign Office [preceding two words in English] explanation of the situation arising from the UK's intentness on collecting fees from fishing vessels operating in the South Georgias exclusive economic zone.

Commenting on an article published by the newspaper LA NACION, in which the Foreign Office asserts that "there was no" incident involving an Argentine vessel near the South Georgias and that this vessel "paid a [fishing] fee," Petrella declared: "It is quite an amazing explanation."

"I doubt that somebody can pay something which is improper on his own accord," said Petrella, who did not rule out the possibility that the Argentine vessel was coerced into paying fishing fees and, therefore, had to do so under protest." [passage omitted]

Argentina: Menem Urges 'Composure' in Dealings With UK

PY0603164996 Buenos Aires TELAM in Spanish 1433 GMT 6 Mar 96

[FBIS Translated Text] Buenos Aires, 6 Mar (TELAM) — Having dismissed criticism heaped on his administration by Radical Civic Union [UCR] leaders Rodolfo Terragno, Raul Alfonsin, and Federico Storani, President Carlos Menem called upon Argentines to maintain their equanimity and presence of mind in the face of Britain's intention of imposing fees on fishing vessels operating in the South Georgias exclusive economic zone.

The head of state, speaking on Radio Municipal, asserted: "It is the considered opinion of the president of the Republic that rather than adopting bellicose or hostile attitudes — which lead nowhere — we should maintain our composure and presence of mind, and continue holding talks with the United Kingdom."

Menem criticized the policy furthered by "some hawks who make their voices heard and throw their weight around." The president recalled "the experience we went through in 1982," when Argentina and Great Britain became involved in an armed conflict over sovereignty over the Malvinas Islands.

The chief executive further stated: "I do not believe that sovereignty should be defended by adopting such attitudes. On the contrary, I would tell those politicians who go around saying that Argentina lacks a coherent policy on the Malvinas Islands that in the past that policy was totally incoherent.

Menem contended that "things now tend to improve; besides, thanks to the dialogue we launched in 1989 and the resumption of diplomatic ties with the United Kingdom, we will be able to make headway in the controversy over the Malvinas Islands."

The president declared: "I am surprised at remarks by politicians like Alfonsin, Terragno, and Storani on that subject. I would ask them what they did when they were in office to regain sovereignty over the Malvinas Islands."

The head of state added: "Except for the claims laid before international organizations — a line which we followed with greater resoluteness — and votes at the United Nations, there are no other records" attesting to the UCR administration's foreign policy efforts to regain sovereignty over the South Atlantic islands.

Menem insisted on the fact that as of 1989 [when he acceded to the presidency] Argentina embarked upon a "realistic policy" vis-a-vis Britain, which has enabled us "to make strides in many aspects, such as the possibility of prospecting for and exploiting hydrocarbons in the South Atlantic. This is the fruit of our perseverance and our position that seeks to regain sovereignty over the islands in the not too distant future."

The chief executive recalled that his administration's foreign policy "was instrumental in attracting UK investments in Argentina to the tune of multimillion pounds."

Menem warned those who lash out at the federal government's decisions that "if we were to adopt measures reversing our current policy and seeking a permanent confrontation with those who are currently in power in the Malvinas, South Georgia, and South Sandwich Islands, we would considerably lessen our chances of regaining sovereignty" over those islands.

Argentina: Relations With UK 'Greatly Complicated'

PY0603224096 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1833 GMT 6 Mar 96

[FBIS Translated Text] Buenos Aires, 6 mar (NA) — Foreign Minister Guido Di Tella said today that relations between Argentina and the UK "have become greatly complicated" as a consequence of the fishing conflict in South Georgia, although the national government "does not contemplate, in any circumstances, a military option."

"We cannot carry out an exercise of sovereignty in the zone because there is a de facto situation preventing it. Besides, those exercises would create a military situation that we would not be able to handle," the official said.

Di Tella said the possibility of an Argentine military action "does not exist because it is clearly forbidden by the Constitution."

The minister made these remarks after briefing Senate Foreign Relations Committee members on the situation for almost two hours. Representatives of all political blocs attended the meeting.

Di Tella came to Congress accompanied by Vice Foreign Minister Fernando Petrella and Foreign Ministry Secretary General Andres Cisneros.

Di Tella said that the government "categorically rejects the British pretension of exercising presumed rights on South Georgia and South Sandwich Islands," adding that the UK's intention "is contrary to the Antarctic Treaty and Camelar [Convention for the Preservation of Antarctic Live Marine Resources], which deal with marine resources in the area."

The foreign minister added that his portfolio is programming "an extremely strong diplomatic action" that includes protests at the United Nations, Camelar, the Rio Group, and neighboring countries.

Di Tella said that as a difference with the negotiations over oil exploration, the issue of fishing "has deteriorated to such an extent that it will be impossible to create the conditions for President Carlos Menem's trip to Great Britain."

"The climate we need for a visit can be created only through an agreement over the oil and fishing."

Di Tella confirmed that the government asked fishing ships not to pay the fee claimed by Great Britain, adding that fish owners were warned that there ships could be stopped, taken to port, and their cargo seized.

The minister denied that the British position aims at preserving fishing resources, adding that "that is the position of the Argentine Government" and wants it materialized in a definitive fishing agreement.

Di Tella also rejected the Foreign Office [two preceding words in English] attempt to downplay the incident with an Argentine trawler in South Georgia, adding that Great Britain "has taken two ships out of the zone and it cannot say that nothing has happened."

"The issue is legally very serious and our position in this matter is very solid," the minister said, ruling out the possibility of an even further deterioration of the situation.

Di Tella said that according to Navy reports "there are no indications of the arrival of additional British warships to the Malvinas Islands zone."

The foreign minister said that "it is foolish to think that the situation is the consequence of the Argentine Government's soft positions."

"On the contrary, our policy allowed us to overcome difficult situations in the past," the minister said.

Di Tella criticized the fishing agreement signed with Russia and Bulgaria, pointing out that it "resulted in the British extension of the exclusion zone."

The minister concluded by saying, among other things, that Argentina's current foreign policy "permitted us to sign a very advantageous oil agreement."

Brazil

Brazil: Ministry To Urge EU Review of Export Quota

PY0703024496 Rio de Janeiro JORNAL DO BRASIL in Portuguese 6 Mar 96
Merchant Marine Supplement p 4

[Article by Heci Regina Candiani]

[FBIS Translated Text] Next week, Itamaraty (Brazilian Foreign Ministry headquarters) representatives leave for Brussels with the objective of meeting EU experts. The bilateral meeting's goal is to review problems that Brazilian chicken exporters are having as a result of a lack of compliance with clauses of the compensatory accord — Blair House — signed by six countries, among them Brazil and the EU. The Brazilian exporters will ask for reviewing of the Brazilian tax-free chicken export quota.

In accordance with the document, the countries that signed the accord have obtained permission to export some produce-free from tax, as a way of compensating for subsidies that are granted to European oleaginous substance producers. In the case of Brazil, the permission would benefit a 15,500-metric-ton quota of chicken that would have entered the European market with a zero-import quota. Normally, an import tax of nearly 80 percent is levied on Brazilian chicken.

According to Claudio Martins, executive director of the Brazilian Association of Chicken Exporters [Associacao Brasileira de Exportadores de Frango — Abef], the big problem the country has with Europe is that the 15,500-metric-ton quota has been divided among three countries: Brazil, Thailand, and the PRC. Thailand and the PRC did not sign the Blair House Accord, and Brazilian exporters will only be able to sell to the European countries 46 percent of the overall free-tax quota, which is equivalent to 7,130 metric tons. Thailand would remain with 33 percent (5,110 metric tons), and the other 21 percent (3,250 metric tons) would remain with the PRC.

"We are claiming for a revision and an increase of the Brazilian quota which, in accordance with the agreement, should total 15,500 metric tons," Martins said.

Another problem in the administration of the Blair House Accord is that the EU has distributed permits for free-tax importing to European importers. The importing companies, however, did not notify the Brazilian exporters that their chickens were entering the country without paying taxes and kept the difference for themselves.

Martins estimates that, as a result of this problem, the Brazilian chicken exporters have already lost nearly $40 million in the last few years. This is why the Abef has asked Itamaraty to negotiate the possibility of transferring the administration of the import quotas to Brazilian organizations. "The problem is that, as a result of the decision to distribute permits to the importers, exporters can no longer identify which enterprises have the import quotas," Martins complained.

If Brazil and the EU do not reach an agreement about chicken exports, Brazil may have to ask the WTO to review the Blair House Accord.

Brazil: Expectations Over Chicken Sales to Russia Noted

PY0603213396 Sao Paulo GAZETA MERCANTIL in Portuguese 23 Feb 96 p B14

[Report by Claudia Facchini de Cesare]

[FBIS Translated Text] Brazilian chicken producers could not have received better news. Russia, one of the world's largest chicken buyers, has banned the importation of U.S. chicken — allegedly for health reasons. The United States practically monopolizes chicken sales to the Russian market. In addition to their competitive price, U.S. exporters have sound financial support, in which the government endorses export credits, making Brazilian exports to Russia unfeasible.

Perdigao President Nildemar Secches said: "Brazil and the United States are today the top competitors in that international market. Therefore, the Russian market closure to U.S. exports obviously favors Brazilian exporters." Secches added that he believes the effects for Brazil will not be immediate, and that the Russian decision is not final.

In 1995, U.S. chicken exports to Russian amounted to $500 million, about the total value of Brazilian chicken exports.

The conquest of a market of this size might strengthen the financial situation of Brazilian industry. Exports to Russia might resolve the problem of the excess supply on the domestic market, which has kept prices low.

Alfredo Felipe da Luz Sobrinho, international relations director of the Sadia Company, has said Brazilian enterprises were aware that Russian technicians were observing U.S. chicken processing facilities in January. Yet the ban came as a surprise. The size of the Russian market and its importance for U.S. industry have produced considerable distrust over the decision by Moscow. The ban, even though supported by technical sanitary reasons, will have political consequences. For one thing, the U.S. Government will not passively accept the Russian decision: For another, it will pressure Moscow to reconsider its decision.

The announcement that Russia has banned imports — even though not affecting the contracts that have already been signed — had immediate repercussions in the United States. The share price of Tyson Foods, the largest U.S. chicken producer, dropped by 10 percent. Russia accounts for 5 percent of Tyson Foods sales.

Secches said: "We need more time to evaluate the situation." Sources of the sector were suspicious about the Moscow decision, speculating that there could be other objectives, like more U.S. credits.

Secches said the United Sates has not just by chance become a preferential — "almost exclusive" — supplier of chicken to Russia. "It was a financial and a political process," the Perdigao president said, adding that if Brazil wants its share of the market, it will also have to meet those two requirements.

U.S. exports to Russia boomed after 1989, when the administration of the then President Bush started an export promotion program. The BLOOMBERG news agency reports that in 1993, U.S. chicken sales to Russia amounted to only $79 million, which two years later rose by 533 percent.

Even if Russia maintains the ban, Secches believes Brazil still has a long way to go. He said: "The Americans have a sound financial structure that Brazil has yet to develop." U.S.-Russian trade receives financial support channeled through government agreements, which Brazil does not have.

Sources of the sector have said difficulties in obtaining credit guarantees for exports to Russia will hinder Brazilian possibilities to replace the Americans on the Russian market. Yet the Sadia international relations director is more optimistic. He believes Brazilian enterprises will find no problems in obtaining letters of credit from European banks.

Brazil has not exported chicken to Russia for about 10 years. Deals were cut to barter for goods ranging from vodka to ships. This type of trade, Secches said, is becoming increasing less frequent. He said: "This type of operation, which was quite common in the 1970's, is no longer implemented, because the financial system has also been globalized."

[Sao Paulo GAZETA MERCANTIL in Portuguese, on its 26 February issue, carries on page B17 a 550-word report by Claudia Facchini De Cesare focusing on the U.S.-Russian commercial confrontation, noting in connection with Brazilian sources the following: "Brazilian sources of the sector do not believe Russia will maintain the ban. There is skepticism as to whether Brazilian enterprises will be able to replace part of U.S. exports to the Russian market. One source said 'The price Russians must pay for Brazilian chicken is about 20 percent higher, and I am not sure they are willing to pay.'"]

Brazil: Russian Group Negotiates Purchase of Chicken Meat

PY0603222196 Sao Paulo GAZETA MERCANTIL in Portuguese 4 Mar 96 pp A1, B20

[Report by Claudia Facchini de Cesare]

[FBIS Translated Text] A delegation of the Russian state-run company Prodintorg, which monitors most Russian food imports, last week visited Brazil to negotiate the purchase of some 30,000 metric tons of chicken meat.

The Russian enterprise was also interested in other products, like pork and cattle meat, mayonnaise, vegetable oils, margarine, and sugar. The Russians, however, complained about Brazilian prices and payment terms.

The president of Prodintorg visited Sao Paulo to negotiate with Brazilian enterprises the purchase of chicken. He was also interested in the importation of pork and cattle meat, margarine, mayonnaise, and soybean oil. Even though Prodintorg lost its monopoly with the end of the Soviet era, it is still responsible for most Russian food imports.

The news that Prodintorg was negotiating chicken purchases in Brazil reached the European market, where there were rumors that the Russians had arranged the purchase of 30,000 metric tons. This report was denied by the Brazilian Chicken Exporters' Association (ABEF), by the Russian commercial office in Brazil, and by enterprises of the sector.

Negotiations are colliding with the prices requested by the Russians and with the terms of payment. According to market sources, Prodintorg proposed $1,000 per metric ton (cost and freight), a price that Brazilian exporters consider unfeasible. According to ABEF executive director Claudio Martins, Brazilian enterprises offered a FOB price of $1,250 per metric ton, that is, without including freight.

"Prodintorg is studying the offer," said Viatcheslav Serov, the chief of the Russian commercial office in Brazil. As a buyer, Serov rightly complained about Brazilian prices. "For Russia, quality is not important. What is really important is the price," he claimed, adding that Russia buys (or bought) U.S. chicken thighs and drumsticks at $800 per metric ton (CIF-Saint Petersburg).

The director of ABEF, however, has not yet ruled out the possibility of exporting to the Russian market. His expectations are of a second "round" in the negotiations with that country.

Another factor that is hindering the operation is the set of Russian requirements concerning payment. "We need longer terms to allow Prodintorg to first sell the merchandise in Russia before paying for the imports," Serov explained. According to Martins, Brazil demands cash payment and a letter of credit confirmed in top-level European banks.

"The Russians claim that confirming a letter of credit is very expensive, but Brazilian enterprises would not yield," he said. If those conditions are not met, it will not be advantageous for Brazil to remove its products from other international markets in order to supply Russia. According to Serov, Prodintorg is an enterprise that "commands respect on the international market and has no problem for obtaining letters of credit."

Russia this month banned the importation of chicken meat from the United States, its main supplier, claiming sanitary reasons. This has made Russia resort to other suppliers. Representatives of the sector have read the Russian decision as a form of political pressure that Moscow is exerting on the United States in order to obtain new lines of credit.

According to the REUTERS news agency office in Moscow, contradicting the statements by the chief of the Russian commercial office in Brazil — that his country is not interested in paying a higher price for higher quality products — the Russian minister of agriculture charged that "the West" is selling low-quality products to his country.

Serov added that sanitary problems, which have thus far prevented Russians from buying Brazilian cattle and pork meat, are not an obstacle for import operations, and that those "are problems that can be resolved."

In 1995, Brazilian-Russian trade reached $960 million, compared to only $340 million in 1994. However, Serov noted that since 1963, the trade balance has always been favorable to Brazil. In 1995, Brazilian imports from Russia amounted to $390 million, while Brazilian exports to that country amounted to $570 million, including sugar exports worth $230 million.

Brazil: Social Security Reform Rejected in First Round

PY0703003596 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 6 Mar 96

[FBIS Translated Text] Here is Poliane Castelo Branco's live report from Congress:

The report on the social security reform has just been rejected in the first round of votes on the floor of the Chamber of Deputies. The administration did not expect this defeat and believed that the reform would have been approved by nearly 40 votes over the required quorum of 308 votes.

All in all, the reform received 294 votes in favor, 190 against, and eight abstentions. There has been great confusion here on the floor of the Chamber of Deputies and the congressmen who support the government are perplexed about the vote return. The opposition parties are intensely celebrating the vote return. Now, the administration's original project will have to be voted on in place of rapporteur Euler Ribeiro's alternate text. Congressmen are saying that now it is impossible to foresee the fate of the social security reform, because the result of this round of votes has surprised everyone.

Brazil: Commentary Views Plane Downing, U.S.-Cuban Ties

PY0603152896 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 2 Mar 96 p A2

[Commentary by Luiz Alberto Moniz Bandeira, "professor of Brazilian foreign policy at Brasilia University and specialist in U.S.-Latin American relations": "Cuban-U.S. Relations"]

[FBIS Translated Text] The U.S. Government charges Cuba with the downing in international waters of two single-engine Cessna planes of the Brothers to the Rescue organization, which were piloted by Cuban exiles from Miami. The Cuban Government asserts that the planes violated the island's airspace and that for this reason they were downed. Right now, this discussion is irrelevant. If the planes were not in Cuban airspace, their downing has not only been a brutal act, but has also violated international laws. If the planes did violate Cuban airspace, Fidel Castro's administration technically had the right to down them, although the action remained equally brutal and inhuman. What is important, however, is to find out whether the downing of the planes has been a politically correct initiative and whether Cuba should have adopted such an attitude at a moment when the country is struggling to overcome its most serious and profound crisis since the 1959 revolution, and suffering an economic blockade the suspension of which is essential for the nation's recovery.

The Fidel Castro administration argues that other violations of Cuban airspace have already occurred, not to rescue boat people (who used the seas to escape the island) but to hurl propaganda pamphlets preaching against the Cuban regime. The administration adds that, if severe measures were not adopted, the number of incursions would have increased and gone out of control. One way or the other, this fact is not a political justification for violence, because it harms the effort Cuba is making to break its isolation. In addition, it makes it still more difficult for Cuba to bring its relations with the United States back to normalcy.

In 1995, President Bill Clinton had already decided to authorize more cultural contacts between the two countries, to ease and facilitate trips to the island by Cuban immigrants desirous of visiting relatives, and to facilitate the transfer of money from the United States to Cuba. Other measures to be implemented would have been the exchange of newspaper correspondents and the seeking of means to stimulate donations to Cuban nongovernmental organizations that work in the areas of human rights, education, and the environment. The U.S. Government also put an end to the preferential treatment accorded Cubans who sought shelter in the country, thus discouraging illegal immigration. President Bill Clinton's advisers believed that the best way to speed up Cuba's peaceful transition to economic and political democracy was to disseminate ideas and information, as occurred in the East European countries. As Raul Castro, Fidel's brother and Cuban Armed Forces minister, said: This is what the Cuban Government feared.

As a matter of fact, the Cuban Government has always known that economic liberalization would inevitably bring about a political opening and bring Cuba closer to the United States — where large enterprises began to understand that the economic blockade only worked against their interests and made them lose business to other countries' competitors. Therefore, one of the hypotheses was that, by downing the planes, the Castro administration sought to create an international crisis in order to make rapprochement with the United States more difficult, because the regime considered that possibility fatal to its survival. As a matter of fact, the decision to maintain the U.S. economic blockade, which is both inhumane and ineffective, since for 35 years it has not succeeded in ousting Fidel Castro, serves only the purpose of justifying the continuity of the dictatorship as well as the mistake the regime made of transferring Cuba's dependence from the United States to the USSR, and helps to force the country to remain a neocolonial nation. If the blockade were lifted, Fidel Castro's communist regime, which was inspired by the Soviet model, would not have the conditions to resist domestic and international pressure or to last more than one year.

The Cold War the United States is still waging against Fidel Castro's administration has only caused sacrifice and material losses to the Cuban people. President George Bush maintained this policy in force until the end of his period in office (1989-92), because he needed to distract the attention of U.S. society from its domestic problems and tranfer them to an enemy abroad, thus justifying the existence of the materiel industry. President Clinton, however, did not have the conditions to reverse the situation and suspend the blockade established in 1960. This would have been a very difficult decision for Clinton to make amidst the internal contradictions of the Democratic Party. It would also have been impossible to establish normal relations between Cuba and the United States before the 1997 elections because the Republican Party, which dominates the U.S. Congress, is concentrating its efforts on conquering the U.S. Presidency.

The United States is undoubtedly responsible for the latest incidents in the Caribbean as well, for with the Cold War policy it has been implementing toward Cuba, the U.S. Government contributes to maintaining Fidel Castro's complex of being under siege and of living in isolation. When Castro ordered the downing of the two planes, he probably knew that the incident would have negative repercussions abroad for his administration. Perhaps he was facing domestic political hardships and wanted to revigorate the people's unity around his person by creating an international crisis. This attitude, however, which was adopted immediately before the U.S. presidential elections, threatens to destabilize the situation in the Caribbean region and will be used by the most conservative forces which, together with the radical sectors among the Cuban exiles, want to prevent Clinton's re-election, in addition to crushing Fidel Castro's regime instead of allowing Cuba to implement a peaceful transition into democracy.

Brazil: Argentine Minister Discusses Defense Policy

PY0603185996 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 3 Mar 96 p A3

[Editorial: "Mercosur and the Argentine Defense Policy"]

[FBIS Translated Text] In his short visit to Brasilia, Peruvian President Alberto Fujimori was ignored by the Federal Supreme Court chief justice and the presidents of the Senate and of the Chamber of Deputies. Nevertheless, the Argentine defense minister — Ambassador Oscar Camillion — who also visited Brazil, was warmly welcomed by the national Congress.

Camillion came to Brazil to advance the agenda for the meeting of defense ministers of the Americas, which will be held in Bariloche in October. Camillion was invited to give a lecture about Argentine defense policy to the Senate's Foreign Affairs Committee and the National Defense Committee. In special deference, however, the lecture was transferred to the Senate floor and the session was presided over by the Senate president, Senator Jose Sarney.

More than deference, it was a way of honoring an Argentine official and politician who has made his career with the preoccupation of consolidating the friendship ties that bind the two countries. He has been doing that since the beginning of his diplomatic career in Rio de Janeiro and as an ambassador to Brasilia — both positions occupied during particularly tense periods in the two countries' bilateral relations — and, finally, as his country's defense minister.

Minister Camillion narrated, in the Senate — to an audience that had more military officers, diplomats, and journalists than senators and deputies, as usual — the objectives and conditioning aspects Argentine defense policy. Thanks to this new reality, Argentina could redistribute its forces throughout the national territory, but in the last few years, these forces have been drastically reduced in number.

An experienced diplomat, who knows profoundly well the mechanisms that make a national administration function, Minister Camillion does not propose integrated defense schemes within the Mercosur [Common Market of the South]. If such a scheme comes about, it will come about with time and as a result of an evolution of the integration process, which currently is but a unified customs regime. This, however, does not impede the four countries beginning consideration of the possibility of cooperating mutually in matters of security and national defense.

As a matter of fact, there are common problems that cannot be satisfactorily solved if they are faced by any country in isolation. Argentina, Brazil, and Paraguay, for example, have finally understood that the only way of fighting smuggling and of reducing the possibilities for the tri-border area, in Foz de Iguazu, to become a consolidated support basis for extra-regional terrorist organizations is to share information and conduct joint actions.

Minister Camillion does not believe that the Mercosur region can remain free from security problems for an undefined period of time. Sooner or later, non—conventional threats — such as terrorism and organized crime — will make their presence felt. In the same way, once the four countries' economies are consolidated and their coordinated policies are projected, the region's presence in the international scenario will engender problems the solution of which will demand the participation of the Armed Forces in the "diplomacy jungle."

We can deduce from the defense minister's lecture that Argentina has overcome the stage of painful adjustment of its Armed Forces and of its defense policy, which are ancillary to foreign policy, moving on to the maxims of the democratic regime and of new criteria for the insertion of the country into the international community. During the transition, too many concessions may have been made in order to accelerate Argentina's acceptance into the club of vanguard countries of modern times. Buenos Aires, for example, has given up its autonomous program for the construction of rockets in order to join the Missile Technology Control Regime [MTCR]. Brazil, on the contrary, delayed the decision until it was able to join the MTCR without having to abandon its program for the development and construction of the Satellite Launching Vehicle. This situation has created a certain bitterness in Argentine official circles and, at first, the Foreign Ministry was always creating discrete obstacles to the Brazilian postulation. When Brazil made it clear that it would not renounce its position, Argentina hastily sponsored the Brazilian request to join the MTCR.

Minister Camillion revealed, in his lecture at the Senate, that Argentina will resume the program for the construction of missiles, and promised to address the issue more extensively later on in the lecture. Nevertheless, he did not do so. His intention, however, was made clear and the message was conveyed within a context, and as an invitation to cooperation. Brazil's cooperation, including in the area of security, is vital for Argentina.

It was not accidental that Minister Camillion ended his lecture on the Senate floor by asserting that when things go well for Brazil, they also go well for Argentina. "Argentina has its strategic reserves in Brazil," he said. This is a patriotic manner of saying that Brazil is to Argentina what the United States is to Canada.

Brazil: Ties With U.S., Americas Free-Trade Area Analyzed

PY0703004296 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 5 Mar 96 p A3

[Editorial: "Brazil-U.S. Relations" from the "Notes and Information" page]

[FBIS Translated Text] U.S. President Bill Clinton's interview to O ESTADO correspondent in Washington, Paulo Sotero, has double importance. One refers to the journalistic point of view, because it reveals the importance the U.S. administration gives to Brazil, and the other to the role Brazil will perform in the establishment of the Americas Free-Trade Area. The fact that the interview was simultaneous to the end of the visit U.S. Secretary of State Warren Christopher paid to Brazil, where he addressed an audience of 500 Brazilian entrepreneurs, should not be overlooked.

We are living in a particularly favorable moment of the Brazilian-U.S. relations, which is the result of some facts such as the approval by the Senate of the Patent Bill, the improving trade situation — the United States in 1995 no longer had a deficit, but a surplus in its trade relations with Brazil. This is especially important because the sisterly nation is making great efforts to improve its trade figures, which registered a $175.1-billion deficit in the previous year. By seeking to intensify ties with Brazil, Clinton certainly is not hoping to obtain many additional votes in the presidential elections, due to the small importance "the rest of the world" (where all the other countries of the world are included) has to the U.S. elections. Perhaps it indicates, however, that he supports the administrations that are acting in accordance with the White House economic principles and goals. This is how the importance the U.S. administration grants to the Americas free-trade area, to which Clinton referred in his interview, should be understood.

We can argue that Clinton's words have been sufficiently vague so as not to establish, more deeply, objective changes in the Brazil- U.S. relations. It cannot be denied, however, that it shows a strong liking for the country and grants Brazil importance.

"I have great respect for President Cardoso — as a person and as the leader of a great nation," Clinton said. "I believe that he is adopting the required measures to ensure that Brazil will be prepared for the challenges and opportunities of the 21st century," Clinton pointed out. Nonetheless, the U.S. President did not subscribe the Brazilian objective of obtaining a permanent seat in the UN Security Council. He just said: "(...) We support the goal of creating a security council sufficiently small to remain effective, although having more representativeness."

From the Brazilian viewpoint, the elimination of trade barriers — if such a thing occurs — will represent a relevant U.S. step toward proving that Clinton's words are consistent.

Brazil: Patent Bill Returns to Chamber of Deputies

PY0603183496 Sao Paulo AGENCIA ESTADO in Portuguese 2317 GMT 5 Mar 96

[FBIS Translated Text] Brasilia, 5 Mar (AE) — With its approval in the Senate, the patent bill today complied with another stage and it will today begin being processed in the Chamber of Deputies. The senators confirmed the approval of the alternate bill presented by Senator Fernando Bezerra (PMDB-RN) [Brazilian Democratic Movement Party-Rio Grande do Norte]. They rejected 13 amendments that attempted to modify its text and accepted only the one that authorizes the National Institute of Industrial Property (INPI) to register patents before the new law comes into force, which will happen one year after it is approved in Congress. The executive branch was interested in the approval of this amendment, which was presented by PSDB [Brazilian Social Democracy Party] leader Sergio Machado (CE) [Ceara]. The executive branch managed to approve all the points it was interested in.

The rapporteur of the patent bill in the Chamber of Deputies will be Deputy Ney Lopes (PFL-RN) [Liberal Front Party], who said that he will present his report in 10 days. He anticipated that in principle he does not oppose Bezerra's bill and that he himself did not develop certain articles of the first proposal because then

President Itamar Franco wanted to maintain some positions defended by the so-called nationalist sectors. Such is the case of the pipeline — retroactive acknowledgement of non-commercialized patents — which was totally adopted by Bezerra and only partially by Lopes. Chamber of Deputies President Luis Eduardo Magalhaes (PFL-BA) [Bahia] agreed during a conversation with the government leaders in the lower house that the bill will be ready for passage by the end of April, at the latest.

Brazil: Commercial Agenda With U.S. To Be Reviewed

PY0703033896 Sao Paulo AGENCIA ESTADO in Portuguese 1916 GMT 6 Mar 96

[By Aldo Renato Soares]

[FBIS Translated Text] Brasilia, 6 Mar (AE) — Foreign Minister Luiz Felipe Lampreia today said that Brazil and the United States will reevaluate their bilateral commercial agenda, focusing on the elimination of U.S. commercial barriers affecting Brazilian products. The subject, which was discussed during U.S. Secretary of State Warren Christopher's visit last week, will be again addressed during the visit that U.S. Trade Representative Mickey Kantor will make to Brazil on 19 March. "Brazil is exerting pressure for concrete measures, and we will talk about this," Lampreia said.

President Cardoso said over the weekend that Brazil wants to reduce its trade deficit with the United States. Between 1990 and 1995, Brazilian exports to the U.S. market grew by only 16 percent, while U.S. exports to Brazil grew by 67 percent. Last year, the Brazilian trade deficit (purchases surpassing sales) reached $1.6 billion.

The U.S. Government has imposed high tariffs, of up to 36 percent, on imported Brazilian shoes, and a surcharge of $492 per metric ton of orange juice imported from Brazil. Furthermore, there are plant health barriers that have halted Brazilian cattle and chicken meat exports to the United States.

According to Lampreia, the two countries will reevaluate antidumping policies and countervailing duties. Itamaraty (Brazilian Foreign Ministry headquarters) sources have said that the approval of the patent bill by the Senate has given Brazil a chance to reevaluate bilateral commercial relations.

Kantor has been one of the strongest critics of the lack of a patent law in Brazil. Lampreia expects the Chamber of Deputies to approve in two months the bill that was approved by the Senate. If the bill is approved, Brazil will have to be withdrawn from the list of countries under priority observation by the USTR (United States Trade Representative).

Chile

Chile: Christopher Remarks 'Unfounded Optimism'

PY0603142696 Santiago LA TERCERA DE LA HORA in Spanish 4 Mar 96 p 2

[Unattributed commentary: "Warren Christopher's Remarks"]

[FBIS Translated Text] Why is it that we Chileans are always looking for success? To examples that sports generously provide, international relations can now be added. Remarks by the U.S. secretary of state to the effect that the poisoned grapes case is not closed and that a quick solution will be sought were enough to hear, with the appropriate noise that is characteristic in these cases, the word "success" in our Foreign Ministry. It was even said — at least it was thus learned — that "until Warren Christopher's visit, for the United States the case was definitely closed." The people also applauded when the U.S. secretary of state refuted remarks by U.S. Ambassador to the OAS Harriet Babbitt.

The statement issued by the Fruit Growers Federation (Fedefruta) also yielded the same optimism. For them, Christopher's words also represent a premonition of successful events concerning the poisoned grapes.

But the reading of any book on good manners is enough to understand that a guest cannot be ill-mannered. And although no one should talk about the electric chair at the home of the executed person, it was certain that the head of a vast diplomatic army, in particular, would try to satisfy his host, preventing in this manner an unpleasant stain from tarnishing his triumphal tour of five Latin American countries.

Thus, we must not forget that foreign policy has been defined as "the use of intelligence and tact in handling international relations." And although Christopher did not go as far as Sir Henry Wotton, the British ambassador, who said that "a diplomat is an official sent abroad to lie for his country," it is obvious that he could not say anything different from what he did say.

It is true that the problem has been led through diplomatic channels. But the recognition and admittance that a quick solution will be sought does not authorize anyone to proclaim a victory. Of course it is good to be optimistic. But in conflicts between countries, an unfounded optimism can lead to disappointments worse than those experienced in the case of soccer, to mention only one example.

Chile: Economic Teams Hold Round of Talks in Ottawa

PY0603183096 Santiago EL MERCURIO in Spanish 2 Mar 96 p C5

[FBIS Translated Excerpt] After lengthy negotiations, the environmental and labor issues were included in the second round of talks being held by Chilean and Canadian representatives in Ottawa, Canada, in an attempt to reach a provisional bilateral agreement.

Fernando Urrutia, deputy chief of mission of the Chilean Embassy, has stated that the decision to include those issues in the round of negotiations is in response to the concerns voiced by the Chilean and Canadian labor organizations.

The topics discussed in the first round of negotiations in Santiago will be thoroughly analyzed during the bilateral meetings that will extend until 5 March. Access to markets, investments, services, and mechanisms to solve disagreements are among those topics. [passage omitted]

Chile: Minister Views Ties With SRV Delegation

PY0603215296 Santiago EL MERCURIO in Spanish 6 Mar 96 p C2

[FBIS Translated Text] Chilean Foreign Minister Jose Miguel Insulza met with representatives of the Vietnamese Women's Union. He told them that Chile and Vietnam are taking steps to normalize relations.

The Vietnamese women's delegation was led by Nguyen Phuong Minh, vice chairperson of the Vietnamese Women's Union, who holds the rank of vice minister. They met with Minister Insulza on 5 March.

During this meeting at the Chilean Foreign Ministry Insulza mentioned the possibility of setting up a commercial office in Ho Chi Minh city, formerly Saigon, in 1997.

After a lengthy diplomatic hiatus with Vietnam, Chile appointed a concurrent ambassador to Vietnam in March 1995. Ambassador Octavio Errazuriz currently holds that post.

The Chilean Government feels that setting up a commercial office in Vietnam will "give some real substance to bilateral relations."

Colombia

Colombia: President, Police Director on Santacruz

PA0603151696 Santa Fe de Bogota Radio Network in Spanish 0638 GMT 6 Mar 96

[News conference by President Ernesto Samper Pizano and Police Director Rosso Jose Serrano Cadena with local reporters, moderated by an unidentified moderator, at Narino Palace in Santa Fe de Bogota — broadcast in progress]

[FBIS Translated Text] [Samper] ...this is an important time for the country. I also asked the director of the Administrative Department of Security, DAS, and the generals of the National Police to be here with me. General Hernando Zuniga, commander general of the Armed Forces who is serving as acting defense minister, was appropriately briefed about this.

As president of the Colombians I acknowledge with satisfaction the success achieved in the past hours in the City of Medellin by units of the National Police of Colombia that killed Jose Santacruz, who had escaped from La Picota Prison on 11 January. With this new action the Colombian Government that I head reaffirms its determination to continue fighting drug trafficking, especially now that the country is the target of international acts of incomprehension such a the one last week when the U.S. Government refused to certify Colombia for the struggle it has waged for several years against this serious scourge that has worldwide scope.

On 4 March I met with Police Director General Rosso Serrano and the counternarcotics director of the same institution to review our commitment to advance the efforts this government has made to fight drug trafficking, to offer absolute security to the world about our unequivocal determination to continue waging this battle alone or along with others.

Gen. Serrano gave me a detailed report on the operations that led to this outcome. I wish to reaffirm my congratulations and those of the national government to him and to the personnel of the National Police, of the Colombian Armed Forces, and of the security organizations for the results that we learned about on this evening.

The government that I head wants at this time to invite all friendly world countries to continue working together within the framework of mutual cooperation to eradicate once and for all the scourge of drugs from the world. Only cooperation, only multilateral decisions will allow us to defeat a problem that is not only of the Colombians, but rather a problem whose solution pertains to all of us, and the only beneficiaries of current breaks and differences in an strategy that should involve all countries are precisely those who are benefited by the drug business.

Here is Gen. Serrano who will give you details on this development that occurred in the City of Medellin tonight.

[Serrano] This is the result of the fight being waged by the country, the Police [words indistinct]. In this process, we were able to ascertain — with our intelligence, patience, and expertise — the whereabouts of Jose Santacruz Londono, whom many described as the most dangerous kingpin of the [Cali] cartel. We knew he [words indistinct] the authorities. We knew that since he had escaped from prison, Santacruz [words indistinct] a person removed from and opposed to the law. What we, the members of the National Police, have done is work for our country.

I believe the least I may ask now is that Colombia be certified. Colombia should be certified because we have yielded results; because we have never let our guard down in our fight against drug trafficking; because our policemen are heroes; because we have attended many funerals; and because I have been engaged in this fight for many years and I have cried and suffered. Therefore, what we are presenting the world today is the result of a fight that needs patience and large amounts of strength. On this occasion, I want to tell you that I am proud of leading this Police, the intelligence men, and I am proud that no one opposes the law. When Santacruz [word indistinct], he did it on his own. When Santacruz defied the state, he defied the Colombian people. Thus, we are very pleased — President Samper himself has told me so — because we have fulfilled our duty and because I believe we have earned the certification with much sacrifice. I believe the situation is different today. We have done important things.

Throughout this long year, we have demonstrated that no criminal organization — regardless of how powerful it is deemed to be — can go against the state. No cartel, no drug trafficking organization is more powerful than the people. The people are more powerful. Here is the (?proof). Thus, let us continue working, let us continue struggling as I said yesterday and the day before, on behalf of Colombia, a country we love deeply, on behalf of an institution we cherish, and on behalf of a president that has supported us. Thus, what we are disclosing today is the outcome of much sacrifice, which did not occur by accident [words indistinct] when we began our search, the pictures we had were different.

Today, the men that acted — the officers, the noncommissioned officers, the policemen, and executive level personnel — are satisfied because they followed instructions just as they were given to them. Thus, as a policeman, resident of the province, man who believes in his country, man who has fought to combat this scourge, I tell you that we feel happy just as all the Colombians are happy. To the American people and to the government of President Clinton I sincerely tell them that we deserve the certification for what we have done because we do this out of conviction. [applause]

[Moderator] Mr. General, a few questions from the journalists.

[Sanchez] Good morning, Gen. Serrano. I am Jose Sanchez of Colprensa. Does this blow, which you have returned to the drug traffickers, show that Colombia can continue the fight against those people alone and without the cooperation of international agencies?

[Serrano] This operation has taught me a lesson: that instead of being students, we are the teachers.

[Ruiz] Gen. Rosso Jose Serrano. I am Juan Carlos Ruiz from ("Vivo Newscast"). We would like to have more details on how the operation was carried out. How long ago were you following Santacruz? What information did you have that indicated he was in Medellin?

[Serrano] Our business, our profession, and our aspiration was always inclined to show the drug traffickers that they are not as tough as they think. Since he escaped jail, we have followed all the steps, furthered intelligence efforts, and announced a reward on television. It is incredible how people call to encourage us. I believe we owe today's event to the Colombian people. I am frightened with their calls and the way they have confidence in their police corps. So, the details of the operation were comprised only of intelligence efforts and joint actions with the people, with the citizens who told us: This is very strange. We see movements that only occurred when Pablo Escobar was around. I will reserve all the details on the intelligence efforts. I do not know if I will write a book on them or give them to the prosecutor.

[Gomez] Gen. Rosso, this is Jose Orlando Gomez from "RCN 7:30." What can you tell us about Pacho Herrera who is still evading justice and the Armed Forces?

[Serrano] I have always said Pacho Herrera is slippery. However, starting today, he has to change his actions because we might suddenly nab him before he expects it. I know he will not leave the country. I am told that he sometimes dresses as a woman, moves about in a taxi, and has changed his way of working. However, he has a police force going after him and no one has won a game against this force before.

[Matheus] Good morning, general. Juan Carlos Matheus of the "Seven O'Clock Newscast." President Samper has just stated that all his officials are going to continue the war. Recently, you asked President Bill Clinton to certify Colombia. Is the U.S. aid necessary to fight against the drug cartels in Colombia or can we do it alone?

[Serrano] I have always said drug traffic is a crime of international proportions. I believe that when people from abroad helps us it is because they admit that they too are responsible for this scourge. I believe that the problem will be neutralized when we are able to sit down and talk in the same language about drug trafficking activities and when we admit that there would be no problem if there are no chemical precursors, money laundering, plane leases, consumers, and producers. I have convinced international opinion that drug trafficking is to be blamed on all and not only on a few.

[Unidentified reporter] Good morning, Gen. Rosso Jose Serrano. [name indistinct] from "7:30 Caracol." When you spoke through the radio stations last night, you mentioned that the follow-up was [words indistinct] of motorcycle races in Medellin, your visit to that city, and tracking down through the so-called yuppies. Could you tell us more about what you told the Colombian radio stations?

[Serrano] I have been in Medellin and I believe in this city and in its people. When I was in Medellin, 15 people told me: General [word indistinct], we have seen strange movements. General, we had never seen armed people here before. Watch out general, because we have seen strange people in the discotheques. From that point on, I knew he was in that city. What's more, [words indistinct] Gen. Montenegro, who has been [words indistinct] in this process, and told him: Montenegro, let's send the bloc to Medellin to flush out Santacruz and Pacho Herrera next week. What's more, I believe [words indistinct] Pacho Herrera is also in Medellin.

[Santos] General, I am Florencio Santos from the "90 Minutes" newscast. Were agents of the DEA and other international antidrug organizations involved in this pursuit of Pacho Herrera and Chepe Santacruz? Do you think that there is a need to have the DEA stay in Colombia to combat drugs and to help Colombian Police and authorities?

[Serrano] I have always been honest, straightforward, and frank. I have acknowledged [word indistinct] participation in the past, but only local intelligence was involved today. As I said, this involved only local personnel [verde-verde — reference to green uniforms].

[Maestre] Good morning, general. I am Nicolas Maestre from RCN [Radio Cadena Nacional]. Days ago it was said that there could be a review of the cooperation... [pauses] a decrease in the cooperation of U.S. Forces, or at least of intelligence forces, with the Colombian Police in the search and pursuit of these drug trafficking criminals.

[Serrano] I have 10 years experience in this struggle. At times I think that we could teach about this. We have learned much and we have knowledge about the equipment involved and no one knows as much we do about the idiosyncrasies and behavior of Colombian criminals. Thus, we are perhaps, if you understand me well... [pauses] I must tell you that we are masters in the struggle against drug trafficking. No world police force, none, and I swear this, has the experience that we have in fighting drug trafficking. I have attended many forums, and those not attended by the Colombian Police do not turn out good, because no one has stories like ours to tell.

Colombia: Defense Minister on Santacruz Operation

PA0603171496 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 6 Mar 96

[Telephone interview with U.S. DEA Administrator Thomas Constantine in Washington, D.C. and Colombian Defense Minister Juan Carlos Esguerra in Madrid, Spain, with Diana Montoya in Miami and Dario Arizmendi and Judith Sarmiento at studio in Santa Fe de Bogota; from "Caracol's 0600 to 0900" newscast — live]

[FBIS Translated Excerpt] [Passage omitted contains 11-minute interview with DEA Administrator Thomas Constantine in Washington]

[Montoya] Mr. Constantine, our Defense Minister Juan Carlos Esguerra is in Madrid and he wants to speak to you. Good morning, Minister Esguerra [words indistinct].

[Esguerra] Good morning, Diana and Mr. Constantine. I want to seize this opportunity to celebrate with you the success that the National Police achieved for the world, for Colombia, for Colombians. After a great effort and after systematically planning for several days the recapture of Mr. Santacruz, they carried out an operation last night that ended with the death of Mr. Santacruz and that brought to us, so to speak, satisfaction from the justice standpoint.

[Montoya] Mr. Constantine?

[Constantine, in English] [Words indistinct] I would say again that I have tremendous respect for the Colombian

National Police, and once more again this year they have performed [word indistinct]. Santacruz Londono in our opinion is one of the number one criminals in the world and has smuggled tons and tons of cocaine into the United States, and had personally ordered the assassination of U.S. citizens, some in New York City, other in Baltimore, and his eventual escape certainly was a concern to us, and now [words indistinct] we think may have solved the [word indistinct] from Santacruz Londono.

[Montoya] Dario, this is the moment to thank Thomas Constantine in Washington for his conversation with Colombia's Caracol network and with Minister Esguerra. Mr. Constantine asked us to please let him go because he has other commitments.

[Arizmendi] That was the DEA Administrator Thomas Constantine, in Washington, talking to the Caracol network via our international center in Miami with Diana Montoya, and with National Defense Minister Juan Carlos Esguerra who is in Madrid and is still on the line.

Minister, what is your opinion on the statements by DEA Administrator Thomas Constantine? Is this the first reaction of an official of the U.S. Government to the death of Jose Santacruz Londono following last Friday's decertification?

[Esguerra] The truth is that I did not hear his complete statements, but from what I managed to hear I think that it is good for them to voice their satisfaction over the operation and what this means from the standpoint of a very important contribution by the Colombian authorities, of the entire Colombian nation, because I think that this is a victory of the entire Colombian nation in this struggle against the horror of narcotics in the world and that reflects how irrevocable and unfaltering is the Colombian's commitment to continue this task until we finish it completely. I think that this should give us enormous international pride, an enormous satisfaction because the National Police fulfilled its duties.

[Arizmendi] Mr. Constantine spoke in very laudatory terms about the National Police and the work of the Prosecutor General's Office. He said that his agency (?follows) U.S. policy regarding the certification issue, and this is why he could not say whether the death of Santacruz Londono and the National Police's operation could lead to a policy review by the Clinton government.

Minister, seizing the opportunity that you are in Galicia, Spain, we would like you to talk about a government announcement — made through the head of state, the justice minister, and the foreign minister — that there will be review of the relationship with the DEA and CIA. In fact, yesterday, Dr. Carlos Medellin told this Caracol newscast that a good number of DEA agents could be expelled from Colombia. Do you think this is advisable, prudent, and necessary at this time of our relationship? Could there be new U.S. retaliations if DEA agents are expelled from the country?

[Esguerra] There are several issues here. First, in view of the decertification, it is perfectly clear that the relations between the two countries — from the U.S. standpoint — suffered a modification. This modification could bring about a number of [word indistinct] that have not yet been completely defined, and thus, we do not yet know what the consequences will be. At any rate, this implies a change in the relations between the two countries by the United States.

Additionally, it is perfectly obvious that this should also imply a review and eventually a change in the relations by the Republic of Colombia. We must eventually review our situation and the consequences of the decertification should those consequences be modified in any way as a result of the last night's capture that categorically refutes the explanation given to decertify Colombia and that looked down on the political will of the Colombian authorities to continue this struggle.

Quite the contrary, this development shows that this political will has prevailed in recent times and that it is characteristic of the national government. Thus, we must review our present situation, the changes made so far, possible future changes, and to what degree we need to review our position with regard to the United States.

[Arizmendi] You do not rule out, nevertheless, that we could do away with or that we could request the withdrawal of some DEA agents from our country, an opinion that Justice Minister Carlos Medellin reaffirmed?

[Esguerra] I think that this should be considered in due time, once a general analysis is made on the relations between the two countries regarding justice issues, cooperation programs and projects handled through the defense ministry, and the issues directly handled by the Prosecutor General's Office, and so forth. I think this involves a general policy of the Republic of Colombia [words indistinct] of the United States that should be reviewed, and eventually, we should maintain it or modify it. We will see.

[Arizmendi] Mr. Minister Juan Carlos Esguerrra, DEA agents have so far moved about our country as if they were at home. Can you tell us how many DEA agents are there in Colombia?

[Esguerra] I do not think that they have moved about our country as if they were at home. They are permanently informing us about the activities they are involved in, about the places they are at, and about the kind of cooperation they are giving us, and in general, they have accompanied our own officials in certain operations to give us the corresponding support. Thus, this is not a completely free activity.

As for the number of agents, that information is probably available to the foreign ministry. I do not have that information at hand. At any rate, the figure is considerably lower than the people believe or certain media speculate.

[Sarmiento] Mr. Minister, your colleague on the cabinet, the justice minister, said categorically that the United States in the past gave us for the antidrug struggle a few coins that are not worth much. In other words, he said Colombia has received a ridiculous amount in aid. Do you share his opinion, and if so, does this mean that Colombia has paid for most of bill in this struggle prior to the decertification and at present?

[Esguerra] It is undeniable that we have contributed the lion's share in the struggle that we have waged against the drug trafficking organizations in recent times if we measure this in terms of the investments that Colombia has made. Our contributions in the form of human resources and the efforts made by our military and police forces and of various government officials perfectly show to what degree we have brought our commitment and our investments.

We do this, however, not to meet or satisfy a specific program or the aspirations a specific country might have, but we do it mainly for the sake of justice and out of our own conviction and of our commitment with ourselves and the rest of the world. Thus, I think that this is how we should view the kind and magnitude of our investments in this struggle.

Colombia has received cooperation from various countries, including the United States, in various forms. The National Police has received technical help and information; they have facilitated a number of resources that we do not have due to their technological level. The truth is that, at moments of victory such as this one, we must thank the international community and the various countries that have extended us their help without assessing their bearing and usefulness in achieving the results we obtained. As for the capture of Mr. Santacruz, we can proudly say that it involved an strictly local operation, an operation carried out exclusively by the National Police, and with our own resources.

[Arizmendi] That is correct, that is what President Ernesto Samper said during his conversation with Caracol last night and what Police Director General Serrano said. Minister, why did DEA and CIA agents not participate in this specific operation when they did in operations against the hierarchy of the Cali Cartel last year?

[Esguerra] Because in the other operations we needed a kind of technological aid that was not needed in this case. In this case we used much fewer technical resources such as communications equipment and communications detection equipment, and we used much more intelligence, so to speak, in the primitive sense of the word. We used more the information we already had and data based on some leads we had followed. In other words, it was an operation involving much more intelligence and much less technological intelligence that was used in previous operations.

[Sarmiento] Mr. Defense Minister when will you return?

[Esguerra] I will be back in Santa Fe de Bogota in the late afternoon tomorrow. This was a short trip for specific purposes. Yesterday I attended to the change of command ceremony of the Espartana Patrol that took place in Cadiz yesterday; today, along with Vice President Dr. De la Calle, we will visit the (Bazan) Shipyards in Galicia; and late this afternoon I will meet with the Spanish defense minister to review the state of cooperation between the two countries on defense matters, and specifically, the cooperation we want to establish in the future in the struggle against drug trafficking.

[Arizmendi] Will you reassume the National Defense Ministry upon your return? Is the controversy around General Zuniga Chaparro over? Will he remain as commander general of the military forces or is this still an undefined issue, Mr. Minister?

[Esguerra] As far as I am concerned, the answer is yes, sir. He is currently serving as both the acting defense minister and commander of the military forces. Tomorrow, upon my return, we will review the events of the past days and I will issue congratulations for the achievements of the past hours.

Colombia: Defense Minister Interviewed on Santacruz

PA0603152496 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 6 Mar 96

[Telephone interview with Defense Minister Juan Carlos Esguerra Portocarrero, in Madrid, by news director Dario Arizmendi and reporters Judith Sarmiento and Javier Ayala in Santa Fe de Bogota; from the Caracol's 0600 to 0900" newscast — live]

[FBIS Translated Text] [Arizmendi] Good afternoon, Defense Minister Esguerra. It is 0709 here in Colombia.

[Esguerra] Many thanks and good morning to you, Dario. How are you?

[Arizmendi] I am fine. Did you have any chance to talk to the National Police director [General Rosso Jose Serrano] about the shootout in which Jose Santacruz Londono, the number three man of the Cali cartel, was killed by National Police members?

[Esguerra] Yes, I have already spoken to Gen. Serrano and I have told him that I am pleased with the success of the operation. I also told him that I am satisfied with the outcome and congratulated him and [word indistinct] on behalf of the government, [word indistinct], and I believe, on behalf of all Colombians. We have many reasons to feel very pleased.

[Arizmendi] A reward of 2 billion pesos had been announced for those citizens who provided effective information to ascertain Jose Santacruz Londono's whereabouts. What will happen to these funds? Will these funds be distributed among the policemen who participated in the operation or will they be distributed among those citizens in Antioquia who collaborated with the National Police?

[Esguerra] We will look into this once we have sorted out all of the particulars of the operation. Several days ago, we received some leads on Santacruz Londono's possible presence in Medellin. However, we must still find out whether any or several citizens cooperated and the extent of this cooperation in the actual operation that concluded in Santacruz Londono's death.

[Sarmiento] Have you had any time to corroborate whether the Spanish media is carrying the news about Santacruz Londono's death and how are they doing this?

[Esguerra] The truth is that they are carrying the news. I learned about it at 0630, Madrid time, that is, approximately six hours earlier in Bogota. Here, the broadcast of the regular newscast was interrupted to carry a sort of news flash, a special last-minute report. It has generated much satisfaction among the Spaniards and the [words indistinct].

[Ayala] Although the significance of this event for Colombia's international image is obvious, what specific weight would you give to the event regarding our relations with the United States following the decertification?

[Esguerra] I believe this event is very positive. It demonstrates several things. It basically demonstrates the Colombian Government's relentless and total commitment [break in reception].

[Arizmendi] Defense Minister Esguerra is using a cellular phone. He will stay in Madrid for a few more days, and will be returning to Colombia this weekend.

Colombia: Interior Minister Views Santacruz Operation

PA0603163396 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 6 Mar 96

[Telephone interview with Interior Minister Horacio Serpa by Dario Arizmendi from the "Caracol's 0600 to 0900" newscast — live]

[FBIS Translated Text] [Arizmendi] The news of the day in Colombia is the slaying of Jose Santacruz Londono, considered to be the third-ranking man in the Cali cartel. We have reactions from Interior Minister Horacio Serpa Uribe. Good morning, Minister.

[Serpa] Good morning, Dario. How are you?

[Arizmendi] Fine, sir. Do you think this event will make the Clinton government reflect and consider granting us a certification after it decertified us last Friday?

[Serpa] Hopefully. This event has many signs and consequences. First, it shows that what the Colombian Government and authorities had stated after Santacruz escaped was true: that they would follow him until they arrested him again. Second, after what happened last night, it is also clear that despite decertification, which does not deserve any more [words indistinct], the Colombian Government and authorities continue in their struggle against [words indistinct], corruption, and specifically against drug trafficking. I hope this will make them reflect over there in the USA.

[Arizmendi] Minister, does the government have a special operation to confront any possible retaliation by relatives or friends of drug trafficker Jose Santacruz? We have to take into account his criminal record [words indistinct].

[Serpa] Yes, we have to be alert, although [words indistinct] of this nature. Authorities acted according to the law, in compliance of their duties and obligations. The situation was such that the fugitive had to be killed. Hopefully, there will be no retaliations or [words indistinct]. Nevertheless, authorities are ready to prevent any such actions.

[Arizmendi] [words indistinct] already arrested the driver and [word indistinct] bodyguard that accompanied Santacruz during the confrontation?

[Serpa] I do not have more details on the event. I received the information through Caracol early this morning. I turned on the radio and General Serrano was talking. Well, it was very important and satisfactory news. The people must have viewed the news with great confidence. I believe it also broadly favors the country's interests at an international level.

[Arizmendi] For example, Gen. Serrano stated: We have to tell the United States that Colombia deserves the certification. Do you believe that after this event, through diplomatic or other channels, Colombia will ask the United States to reconsider its decision to decertify us.

[Serpa] The government has already presented its position before the Congress. Now, the process goes into a 30-day waiting period in Congress. This organization should really [words indistinct]. Now, if the government will [word indistinct] would be an important option. I believe that, despite the decertification, both governments should continue to maintain relations [words indistinct]. It is important that this be done. We have many things in common. This has been quite clear in the past few days. So, I hope, I hope [repeats himself] a situation of this kind arises.

[Arizmendi] Mr. Minister, continuing this train of thought, [words indistinct] a petition is circulating among the members of this political organization to request that President Samper ask the UN to establish a mechanism to evaluate the struggle against drug trafficking by every country every year, and not have a unilateral certification or decertification. Is the government willing to study this Liberal Party proposal?

[Serpa] Sure, we are going to wait for it. It would be great if it is interesting and appropriate. I recall that the corresponding UN offices has praised the struggle Colombia has been fighting against crime.

[Serpa] The truth of the matter is that this process of certification or decertification is extremely unfair for the countries that are evaluated, because it is a unilateral evaluation. It should be made in an administrative context. If the evaluation were made in this context, Colombia would have scored outstanding results regarding the fight against drug trafficking. I have no doubt whatsoever that this decision was eminently a political one. It was a blow dealt at the country, based on political considerations, because no country in the world — including the many that were certified — could have offered the United States or the entire world results similar to the ones achieved in Colombia.

[Arizmendi] Why were you so prudent in the beginning, when the news of the decertification was disclosed, smiling, with your mustache in the air? Why did you keep quiet with a very sarcastic smile?

[Serpa] That is not true. What happened was that I was in Cauca, involved in the talks with the [Jaime] Bateman Cayon guerrillas. That same day at noon, the reporters told me the news and I did not want disclose any information before speaking to the president.

[Arizmendi] Were you being cautious?

[Serpa] [Chuckles] Particularly so, because my views on this topic often generate many suspicions. Isn't this true?

[Arizmendi] Yes.

[Serpa] Therefore, it is best for me to be somewhat prudent. However, I made my statement later. I spoke with the president when I took the helicopter in [words indistinct]. I made my statement later on.

[Unidentified reporter] Minister Serpa, your colleague, Justice Minister [Carlos Eduardo] Medellin has admitted that the DEA's presence in Colombia is being reconsidered. What is your view to this effect in light of the possibility of telling the DEA people many thanks, but you can go back where you came from?

[Serpa] This topic is sort of complicated. It is appropriate to analyze these relations. I believe the objective of doing this is not to tell the DEA to leave, but to ensure that the relations take place within a framework of respect for the national interests and clear guidelines on what activities are allowed and the manner in which they should be conducted in keeping with the local authorities. Therefore, I believe this is a very interesting discussion, and it is not the first time this topic is discussed. We had discussed this possibility some time ago.

[Reporter] Do you believe this is a good idea?

[Serpa] Yes. I think it is an interesting idea [chuckles].

[Arizmendi] Do you believe this attitude — your ability to use irony and sarcasm, coupled with the fact that you are a popular speaker in Congress — has earned you a high rating in popularity polls. You are almost as popular as the Prosecutor General.

[Serpa] [Chuckles] Not at all. The Prosecutor General has an extremely good standing in public opinion. I have done well in popularity polls. I have my views. I always voice my views frankly and I try to act properly, and this is well-liked by a large sector of the public.

[Reporter] Many thanks.

Colombia: Foreign Minister on Santacruz, Decertification

PA0603184796 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 6 Mar 96

[Interview with Foreign Minister Rodrigo Pardo by Guillermo Rodriguez at the Colferia building and Dario Arizmendi in the station's studio in Santa Fe de Bogota from "Caracol's 0600 to 0900" newscast — live]

[FBIS Translated Text] [Arizmendi] At this time, Foreign Minister is inaugurating in Colferia a day-long forum on Colombia's relations with Europe. Here with the foreign minister is Guillermo Rodriguez.

[Rodriguez] Thank you, Mr. Arizmendi. Here with us is Foreign Minister Pardo. Good morning. How do you receive the news regarding Santacruz and the reaction that Radio Cadena Caracol has described as moderate or extremely cold by DEA Administrator Thomas Constantine in the United States?

[Pardo] I receive it with great satisfaction. No doubt, this deals a great blow to the Cali cartel that helps us make progress in dismantling it. We also feel that it may be coincidence but it is symbolic that this happens a couple of days after the United States said that the Colombian war on drugs is not functioning. This proves no country in the world has better results in fighting drug trafficking that Colombia and that the considerations the United States are making allegedly to assess this struggle are not objective, (?do not look at the) results, but rather have a political overtone [words indistinct] that lead to that unfair and absurd decision.

[Rodriguez] Mr. Constantine said this morning in an exclusive Caracol broadcast that a kind of narcocorruption exists in Colombia.

[Pardo] The problem of narcocorruption does exist in Colombia, but we are fighting it. We are fighting it [words indistinct] because Colombian society is fighting narcocorruption as no other society is.

[Rodriguez] When will cooperation with the United States be overhauled? Your colleagues have said that the offer of assistance the United States is constantly making is ridiculous [words indistinct] on drug trafficking.

[Pardo] The idea of [words indistinct] have yielded good results, such as the crop eradication program. What President Samper has asked of a group of ministers and government officials is that we make a compilation and assessment of each and every program we have with the United States, since it is, say, odd, that when the United States assesses cooperation with Colombia it concludes it is very positive in order (?to praise) the Clinton administration and U.S. agencies and yet very negative when it comes to certifying Colombia. If we have the same directors and programs, they must be good for the two of them or bad for the two of them.

We feel that the important thing about these programs is that they be efficient in fighting drugs. That is why we are going to assess each one to see how they are being implemented, what results they have yielded, how much [passage indistinct] from the United States to Colombia. Based on that the president will decide which one are worth continuing and which ones to (?reject).

[Rodriguez] [Passage indistinct] the Barco administration, that is, an act of intervention [words indistinct] appeal to the inter-American organism?

[Pardo] Yes, President Samper [words indistinct] that we bring the Colombian stance to all international forums, so we can explain the nature of our war on drugs. This morning at 1000 at the Permanent Council, Colombian Ambassador to the OAS Holmes Trujillo will speak on this war on drugs, the results that have been obtained, and that the continent needs — and that this is not a matter of engaging in local politics but of having an efficient war on drugs — is that we replace unilateral assessment for multilateral ones.

[Rodriguez] Dario, Minister Pardo is listening to you.

[Arizmendi] Thank you. Can the blow dealt to Santacruz Londono influence in some way the Clinton administration to reconsider the decertification?

[Pardo] I am skeptical, Dario, because I am under the impression that the decision on decertification failed to consider the results of the war on drug trafficking. Instead, other kinds of considerations of a political nature really carried more weight. Just as I feel that the capture of the Rodriguez Orejuela and the surrender of other Cali cartel bosses, the eradication of crops, and the [words indistinct] were not considered important. Unfortunately, it seems that in this process what counts is politics, not the war on drugs.

[Arizmendi] Mr. Foreign Minister: During both this interview and your first statement and subsequent news conferences, you, as well as the chief of state in his Friday night address referring to the decertification topic, and [Justice Minister] Carlos Medellin in his interview yesterday with Caracol have constantly referred to the evaluation and reevaluation of the bilateral relations between Colombia and the United States. Even Medellin told "Caracol's 0600 to 0900" that the presence of DEA agents in our country had been discussed and that even the possibility of expelling some of them was being considered. What is the Foreign Ministry's stance to this effect?

[Pardo] The president has actually asked us to evaluate the programs being implemented. I believe the participation of the DEA and other U.S. agencies, and other countries has been, regarding some cases and some programs, very positive and has helped Colombia achieve its outstanding results in the fight against drug trafficking. I believe it is very important to focus on the results achieved in the fight against drug trafficking rather than on what is politically advantageous to certain persons at a given time. In other words, I do not understand — as you mentioned a while ago, Dario — how the cooperation of the DEA and other agencies is positive when it comes to exalting the DEA, but it is negative when it comes to certifying Colombia.

[Arizmendi] Have you thought about the procedure that would have to be followed in evaluating the number of DEA agencies in Colombia and their stay in our country?

[Pardo] For the time being, the president has asked us to make a — let's say — recount of all of the existent programs; the amount of resources they involve; and the manner in which they are being implemented. I believe there is a very important and [word indistinct] point: That the meaning of cooperation is sometimes misinterpreted. Cooperation does not necessarily mean that there must be a transfer of resources from the United States to Colombia. We would be willing to not receive a penny from the few pennies we receive if there were more effective efforts on the part of the United States against the drug trafficking aspects that take place in U.S. territory, against retail distribution, against consumption, and against money laundering. If demand were lower in the United States, we would not need the cooperation of its agencies to fight drug trafficking here, because there would not be dealers for the large market of [word indistinct] represented by the current United States.

[Arizmendi] This morning, answering one of our questions, Defense Minister Juan Carlos Esguerra told us from Spain that the Foreign Ministry was the only organization that had data and figures on the number of DEA and CIA agents in Colombia. We would like to ask you the same question we asked Defense Minister Esguerra.

[Pardo] I do not have the exact information with me, but added up, the DEA and CIA agents are approximately 45 or 50.

[Arizmendi] Are these approximately 45 or 50 DEA and CIA agents in the country under total surveillance or control or regulation, to refer to it in some way? Inasmuch as that is possible?

[Pardo] Yes. There are very precise guidelines on what they can do, and we must clarify that they do not act independently nor do they participate in operations. For instance, they provide technical assistance, intelligence or informational assistance, but the operations are conducted entirely — 100 percent — by the Colombian authorities, mainly the National Police.

[Arizmendi] Just as neither the DEA nor the CIA participated in last night's operation, will the government need the cooperation of either U.S. agency in new operations against Helmer Pacho Herrera?

[Pardo] I believe the National Police [words indistinct] technical assistance to locate drug kingpins, crops, and [words indistinct] in the battlefield is the National Police.

[Unidentified female reporter] [Words indistinct] What does a country need to be able to declare someone persona non grata?

[Pardo] This is a decision by the executive, and the government can do this at any time. Among its prerogatives, the government has many instruments to prevent anyone it deems unwelcome for any reason from staying in the country. The government's instruments in matters of immigration range from denying a visa or deporting a person to declaring him persona non grata. The latter is more of a symbolic sanction and does not necessarily imply the person will leave the country.

[Arizmendi] Have the president or the Foreign Ministry considered any of the three possibilities you mention during the current crisis in the relations between Colombia and the United States?

[Pardo] Truthfully Dario, we need to maintain the channels of communication with the United States even if they only serve to express our disagreement and disconformity with its positions. It seems to me that it is not convenient to limit the [words indistinct] and we must take into account that, institutionally, we need to continue to have relations with the United States and need [words indistinct] with people regardless of [words indistinct] I believe we have to continue talking through [words indistinct].

[Arizmendi] [words indistinct] presence of ambassador [words indistinct] in Colombia?

[Pardo] Well, I believe we will always need a U.S. ambassador in Colombia. It seems to me that personal and individual characteristics are not important. I believe Ambassador Frechette has a role as spokesman of his government and, thus, we do not have to consider that much Ambassador Frechette's personality but the [words indistinct] of policies adopted in the United

States of which he is a spokesman [words indistinct] those policies [passage indistinct] Ambassador Frechette or another spokesman of that government.

[Arizmendi] As usual you are so [words indistinct] Mr. Foreign Minister, we have a question from our colleague Diana Montoya who is at the Caracol international information center in Miami. Diana, go ahead.

[Montoya] Good morning, Mr. Minister. THE NEW YORK TIMES dedicates part of its editorial today, to the certification issue. It strongly criticizes the U.S. international policy on this. It highlights two issues and I would like to have your opinion on them. It says one of the reasons the United States certified Mexico is that it has better and closer economic and political ties with that country than with ours. It also says that the true impact of the sanctions against Colombia is not economic but diplomatic. What do you think about the THE NEW YORK TIMES assertions?

[Pardo] Well Diana, the truth is that one increasingly has the impression or, let us say, our impression during the past several months and one that has been strengthened with the decision made last week, is that, regarding certification, the United States is not so much concerned with the struggle against drug trafficking but has political and other considerations such as the ones mentioned in that THE NEW YORK TIMES editorial. What is serious about this is that Colombia is interested in combating drug trafficking [words indistinct] it has not gotten to be such a serious commotion or, perhaps, those societies have not reached a solid consensus on the need to combat it. This is not Colombia's case. Here, we have gone through a narcoterrorism crisis and are even going through a crisis of political stability. We also have a serious narcocorruption problem. We are waging a battle where we ourselves have triggered the idea that Colombia is a narcodemocracy. What all this really shows is that Colombia, in contrast to other countries, is seriously fighting against drug trafficking and is paying dearly in doing so. This is a country that can get ahead and it can develop its excellent economic, cultural, and democratic potentials in the measure that we can defeat drug trafficking. The seriousness of this certification process — excuse me for extending myself — is that while we work to make all those programs a reality and with the desire to make the struggle against drug trafficking more effective, others do politics with this problem.

[Montoya] Colombian Foreign Minister Dr. Rodrigo Pardo Garcia-Pena, you have been most kind with Caracol's audience by accompanying us this morning. Have a good day.

[Pardo] Thank you and have a good day, too.

Colombia: Commentary Urges DEA, U.S. Envoy's Departure

PA0603162396 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 6 Mar 96

[Commentary by Antonio Panezzo; from the "Caracol's 0600 to 0900" newscast]

[FBIS Translated Text] Jose Santacruz Londono was killed during a flawless operation with the cooperation of citizens. U.S. State Under Secretary Gelbard explicitly mentioned Santacruz as one of the reasons for not certifying Colombia because we had been unable to capture him. Although important big fish often run away in the United States, the gringos take into consideration what everybody else does or cannot do. After Santacruz's fall, we no longer need any certification nor the DEA's aid to solve our domestic problems and fight crime. The consequence, therefore, is that the DEA should leave this country, taking Mr. Frechette, by the way, along with it.

Colombia: Samper Said 'Reason for Decertification'

96SM0132A Santa Fe de Bogota EL TIEMPO in Spanish 5 Mar 96

[Commentary by Lucy Nieto Samper: "The Real Problem" — received via Internet]

[FBIS Translated Text] From London, where echoes of our political crisis are arriving, I note the decertification with sadness. Because the country was looking at the trees, it failed to see the forest which, like the bauhinia [a tropical tree species] of Bogota, was being consumed by a cancer. We have had our fill of debating the half-truths of Medina and Botero, on whether or not the Congress has the credibility and qualifications for judging the president, on the public process and the secrecy of the proceedings, and on the censure (they detain [Ana Luisa] Mir, but do not quiet down the press conferences of those detained). And everyone is bored with the subject itself. Meanwhile, in an attempt to emerge from a difficult situation and gain supporters, the government resorts to burdensome labor settlements, such as those with the electrical sector, the Agricultural Credit Bank (Caja Agraria), and Ecopetrol [Colombian Petroleum Enterprise]. And the trade unions, emboldened by the government's weakness, are fishing in troubled waters.

The problem is not whether or not the president knew that the Cali Cartel was financing his campaign: With the entry of dirty money proven, even if it occurred behind his back, he should assume his political responsibility (the criminal liability will be judged by the Supreme Court), and either request a leave of absence or resign from office.

Nor is the problem one of who wins the battle, because this crisis leaves no winners. Samper's departure would not be a triumph for the U.S., nor for Pastrana, Santos, Noemi, Valdivieso, Hommes, or any other of the precandidates in the campaign (declared or not), who have detracted clout from his opposition by their attempt to "sell" the possible departure as a personal victory. Nor does De la Calle win either, because his "jackpot" would come from mounting this colt to see whether he can extricate us from the abyss and recover our international dignity: no easy task.

Finally, it should not matter when Samper leaves either. He wants to leave with his head held high, with dignity, and not doffing his hat. And he has every right to defend himself and to seek an honorable departure. But the fundamental point, which does indeed matter to all of us Colombians, without class or party distinctions, is that, while that departure is occurring, whether it be soon or in 1998, the destruction of the country must not continue.

The real problem is the one who loses with the president remaining, and the sad part is that we all lose, beginning with him personally. An acquittal in Congress, a victory in the possible referendum, or the recent tours through the provinces will not lend the government either the legitimacy that it requires or the necessary ability to govern, which was lost some time ago.

Although the U.S. intervention is repugnant and unacceptable (because there are concrete results in the counternarcotics battle that the UN itself has confirmed), the president must admit that the only reason for the decertification is he himself. Nevertheless, the political myopia of the U.S. should not justify his resorting to chauvinism in order to remain in office. In a magnanimous act, Ernesto Samper Pizano should withdraw, devote himself to his defense, and, hopefully, prove his innocence.

What he cannot do is, kicking like a drowning man, insist on bringing down with him the country that he so often claims to love. So much so that he apparently even acted unlawfully in order to succeed in governing it.

Colombia: Decertification Called 'Blow' to Samper

96SM0133A Santa Fe de Bogota EL TIEMPO in Spanish 3 Mar 96 p 4A

[Commentary by Enrique Santos Calderon]

[FBIS Translated Text] I was mistaken in thinking that the United States would not decertify Colombia. I did not imagine that it would go so far as to include us in the exclusive club of the scoundrels of the world. Because it affects an entire country—the country that has made the greatest sacrifice in the fight against the narcotics traffic—the decision of the Clinton administration is unjust and is largely the result of the existing electoral climate in the United States.

But the fact is that when Washington transformed Colombia into the first South American country to be denied certification, that decision carried an unmistakable political message: a message that underscores Washington's absolute lack of confidence in the Samper administration.

It is also unjust to castigate a nation and stigmatize an entire society because of the sins of its chief executive, but that is what happens when the highest authority in a country—who by itself symbolizes the narcotics traffic at the international level—somehow acquires the image of a "narcopresident."

It was already known that the decision on certification was irremediably linked to the accusations made against the president. And although it was hoped that the Clinton administration would separate Samper's problems from those of our nation, that did not occur. Washington's decision was influenced by the fact that the highest office in our nation is occupied by someone who has been formally charged by the prosecutor general and accused by his closest aides of having received narcotics money.

The decertification of Colombia also constitutes a warning to the other Latin American countries that produce or export narcotics, so that they may understand what can happen when the drug money penetrates the highest office in the nation, the Congress, and other institutions—or when an attempt is made to cover up these facts.

Neither the emaciated Washington "lobby" [preceding word in English] of the Colombian business establishment, nor the imprisonment of the bosses of the Cali cartel, nor the figures—so often repeated by the government—for the number of hectares fumigated, narcotics traffickers captured, drugs seized, or laboratories destroyed, nor the messages in favor of certification that were sent by the former presidents and by the former candidate Pastrana himself, were of any avail—nor even the criticism of Cuba that Samper hurled this week in a last desperate effort to please Uncle Sam.

The die was cast. Of no use now are "emphatic rejections," nationalist indignation, or crusades against U.S. imperialism. Probably all that is lacking is a new smoke screen in the form of anti-gringo populism, at which point the "Panamanization" of Colombia (which would come via the "Noriegization" of Samper) would be only a step away.

What is needed is an understanding of why what has happened has happened, and of its possible consequences. First of all, it must be viewed as a moral sanction that will probably have no immediate economic effects—but further on, beware! Secretary Gelbard has already warned that "the door is open" for serious trade sanctions. And that is the direction events will take, if things do not change here.

For the nation's image, for the pride of the Colombian people, and for the nation's very respectability, it is a severe blow to be placed alongside countries whose governments are among the most corrupt or bloodthirsty in the world. It is indeed unjust; that is obvious. Protests will be of little assistance in getting out of this predicament, because the way out is also obvious. And the longer we delay—in an attempt to ensure that the way out be "honorable"—the more the nation's honor will suffer.

I have already explained on several occasions why I believe certification is an arbitrary procedure that reflects a mistaken antidrug strategy and is imposed in an imperial manner by a power that lacks any authority to be sanctioning other countries because of the existence of a problem that originated in its own streets and is stimulated by its own citizens.

But to say that this procedure is arbitrary—and that Clinton's decision is linked to his electoral problems—does not mitigate the seriousness of what has happened. Nor does it mitigate the harsh words that the U.S. State Department has used to describe the Colombian Government's antinarcotics policy, which according to Secretary Gelbard lacks integrity, legitimacy, and political will. There is no doubt: relations with the USA have reached their lowest point.

It remains to be seen what effect this regrettable event will have on President Samper's increasingly precarious ability to govern. In all probability, it will serve briefly to harden his attitude. To add a dose of emotional anti-U.S. nationalism to his message of rich versus poor—and to the massive distribution of jobs and contracts to his "natural judges" in the Congress—is a logical option from the Samperist perspective of gaining oxygen by whatever means.

But it could also stiffen—in the opposite sense—the backbone of an entrepreneurial class that is well aware of the significance of what has happened and for that very reason will quite possibly begin to abandon the somewhat pusillanimous and timorous attitude that it has maintained with respect to the political crisis through which the nation is passing.

To the image and credibility of President Samper, Washington's decertification of his administration is a blow comparable to the escape of Santacruz (which we have now forgotten), the statements by Medina and Botero, or the criminal complaint issued by Prosecutor General Valdivieso.

No need to panic, however, for we have an "earthquake-proof" president. He withstands the worst tremors without swaying or falling. It is in our nation that the cracks are growing ever wider.

Ecuador

Ecuador: Duran-Ballen 'Willing' To Meet With Fujimori

PY0603204596 Madrid EFE in Spanish 1949 GMT 6 Mar 96

[FBIS Translated Text] Quito, 6 Mar (EFE) — Ecuadoran Vice President Eduardo Pena said today that Ecuadoran President Sixto Duran-Ballen is willing to discuss bilateral issues with Peruvian President Alberto Fujimori during the Andean Summit in Trujillo.

Pena told the media that Duran-Ballen "is willing to hold a bilateral meeting if President Fujimori makes the first move. If not, he will return to his country as scheduled."

However, he urged the people to "not to raise undue expectations" over the meeting of heads of state within the framework of the summit on 9-10 March in Trujillo, Peru.

Pena insisted that Duran-Ballen "is travelling to Trujillo for a multilateral meeting of presidents of the Andean Pact, not specifically to meet with the Peruvian president." He said Duran-Ballen is "satisfied" with the state of the peace process between Ecuador and Peru.

The governments of Quito and Lima have been engaged in a peace process since 17 February 1995, when, with the signing of the Itamaraty Peace Agreement, they prevented the war waged during January and February 1995 between Ecuador and Peru from worsening.

Ecuador: 'Distrust' Said To Prevail With Peru

PY0603192496 Quito Voz de Los Andes in Spanish 1700 GMT 6 Mar 96

[FBIS Translated Text] According to diplomatic sources, notwithstanding the two rounds of talks held in Quito and in Lima between the Ecuadoran and Peruvian military commanders, Jorge Ortega and Nicolas de Bari Hermoza, respectively, and regardless of the agreements they had signed, distrust still prevails between the two parties.

Although the two military commanders projected an image of confidence and friendship at public events, during the private meetings the Peruvian military commander maintained very hard and, in some cases, almost intransigent positions, the sources reported.

EL UNIVERSO special correspondent Jorge Benitez reports the following: Those attitudes that, in many cases, reached the point of hostility have also been reflected in the approach adopted by the Peruvian military officers within the MOMEP [Ecuador-Peru Mission of Military Observers], the consulted sources reported.

Benitez added that there were continuous incidents, but they have not been revealed publicly to prevent the peace process from being tarnished. To achieve a climate of tranquillity, however, the MOMEP has demarcated on the border the Alpha Zone which is free of troops and armaments from the two countries.

According to the consulted diplomatic sources, last Monday, during the visit to Lima of General Jorge Ortega Espinoza, the Peruvian delegation was reluctant to sign the documents regarding mutual confidence measures on the border, and therefore the presence of the four military delegates from the four guarantor countries was necessary. These four military officers make up the MOMEP staff.

Peru

Peru: 'Subsistent Impasses' With Ecuador Noted

PY0703021396 Lima America Television Network in Spanish 0100 GMT 7 Mar 96

[FBIS Translated Text] Today in Brasilia, the governments of Peru and Ecuador exchanged the sealed envelopes containing their respective lists of border disagreements during a brief ceremony held at the Brazilian Foreign Ministry building.

We will now read the list of subsistent impasses drafted by the Ecuadoran Government.

Republic of Ecuador, Foreign Ministry, subsistent impasses:

List of the subsistent impasses presented by the Ecuadoran Government which, along with the list presented by the Peruvian Government, will conform to the list of impasses to be negotiated in compliance with Paragraph 6 of the Itamaraty Peace Declaration of 17 February 1995:

1. The partial inexecutability of the Rio de Janeiro Protocol due to the inexistence of the divortium aquarum between the Zamora and Santiago Rivers.

Free and sovereign Ecuadoran access to the Maranon-Amazonas Rivers.

2. Demarcation problems:

a. The Cuzumaza-Bumbuiza/Yaupi sector.

b. The Lagartococha-Guepi sector.

3. Problems created by the geodesic lines that cross the rivers.

Problem in the Napo River, Yasuni-Aguarico sector.

4. Zarumilla Canal

[Dated] Quito, 23 February 1996.

[Signed] Galo Leoro, foreign minister.

Peru also disclosed its disagreements over the demarcation of the Peruvian-Ecuadoran borderline.

The following is the text issued by the Peruvian Foreign Ministry:

For Peru, in the disagreements over the demarcation of the border, as Ecuador is well aware, the expression "lasting solution of the subsistent impasses" means completing the demarcation of the borderline established in Article No. 8 of the Peace, Friendship, and Borders Protocol, signed in Rio de Janeiro on 29 January 1942, in compliance with its complementary instruments and with the ruling by Brazilian arbitrator Sea and War Captain Braz Dias de Aguiar.

For Peru there are two sectors on the borderline where demarcation impasses exist:

1. In the Lagartococha sector:

a. The source of the Lagartococha and Guepi Rivers.

2. In the Condor mountain range sector:

a. Between Cunhuime Sur border marker, point D mentioned in Dias de Aguiar's ruling (on the Condor mountain range at the Zamora- Santiago divortium aquarum from where the mountain spur starts) and 20 de Noviembre border marker.

b. Between Cusumasa Bumbuisa border markers and the confluence of the Santiago with the Yaupi Rivers.

The document is signed by Peruvian Foreign Minister Francisco Tudela.

Peru: Fujimori Views 'Impasses' List, Certification

PY0603214996 Lima Radio Programas del Peru Network in Spanish 1700 GMT 6 Mar 96

[Live relay by Alvaro Hugaz from Panama]

[FBIS Translated Text] It is exactly at noon here in Panama. President Alberto Fujimori just confirmed that the list of subsistent impasses, which is related to the Itamaraty [Brazilian Foreign Ministry headquarters] Peace Declaration, will be delivered in Brasilia today.

Fujimori said the list is important because the two countries finally decided to negotiate under the observation of the guarantor countries of the Rio de Janeiro Protocol. He pointed out that the list will show the differences between the two countries on the border issues. He added that once the differences are known, the two countries will be able to deal with them in a reasonable manner — keeping the peace process, and not the arms race, in mind. He added that once the differences are known, negotiations can be much more direct. He said:

[Begin recording] We are taking concrete actions. There was an unfortunate bloody conflict in the upper Cenepa River region. After the conflict came the Itamaraty Peace Declaration which includes several points, mainly points three, four, five, and six, which are being fulfilled. The list of the subsistent impasses will be delivered today. Finally the two parties are negotiating in the presence of the guarantor countries within the framework of the Rio de Janeiro Protocol. We will finally know, with the disclosure of the impasses, the resentments and disagreements that exist, because past talks only involved generalities [words indistinct]. We want to know concretely what the situation is to prepare an agenda because once we know quite well what the disagreements are, we can deal with them as civilized countries, as civilized states. I believe great progress has been made for the future, and we will continue with the talks in the defense of peace and against the arms race. [end recording]

This is part of Fujimori's answer to the media regarding the Peruvian-Ecuadoran conflict. Fujimori talked about other issues: Let me briefly report on the decertification of Colombia. Fujimori again said it would be much more equitable if there was a reciprocal certification between the coca growing countries and the United States. Regarding the 1992 self-coup, Fujimori said that at that time there was a caricature type democracy in our country, but a real democracy, as well as freedom of press and opinion now prevails. He added that had he not taken that decision in 1992, democracy would have collapsed because Peru would have been under a dictatorship, either of Abimael Guzman or the MRTA [Tupac Amaru Revolutionary Movement].

I will return later with more information from Panama on Fujimori's activities on the last day of his official visit.

Peru: Daily Criticizes U.S. Certification Policy

PY0703002696 Lima EL COMERCIO in Spanish 3 Mar 96 p A2

[Editorial: "To Be Or Not To Be, Coca Is the Question"]

[FBIS Translated Text] It's the same story every year. Being "certified" or not by the United States on 1 March represents, for the countries involved in drug production or trafficking, an approval or a "reprimand." Cooperation is cut for those countries "reprimanded" and they may face problems within multilateral financial organizations due to the U.S. "veto." However, aside from the practical effects, the certification process has political significance. This is the dilemma that countries such as Peru, Bolivia, and Colombia, that are being judged, are facing now.

The criteria used to "certify" or "not certify" is, undoubtedly, neither objective nor univocal. The complex nature of the drug trafficking phenomenon can lead to one or another conclusion, all depending on how the facts are assessed. As many other things in life, in this field there are good and bad things. The criteria used is determined by essentially political interests and viewpoints.

The problem, undoubtedly, is not a one-way road. In Colombia, for example, the success in repressing the Cali cartel was loudly accompanied by cases of corruption at a highest level in the self-confessed "narcodemocracy." In Bolivia, the fulfillment of the eradication goals imposed by the United States for 1995 went hand-in-hand with the commotion created by the "narco-aircraft" case in which police units in charge of fighting drug trafficking were involved.

In Peru, the FAP [Peruvian Air Force] achievements in the interdiction field — more than 21 downed aircraft or confiscated with drugs during 1995 — were accompanied by charges of corruption involving Army officers which, in many cases, were never clarified nor investigated properly. In addition to the problems created for air traffic in the jungle area and the blow against the "northern cartel," two contrasting things happened.

In the first place, new and dynamic coastline routes were established. Containers, in the form of the most vulnerable and photogenic "courier girls" and ships, rather than aircraft, were and continue to be used for this purpose. In the second place, every case involved highly pure refined cocaine instead of cocaine paste. A great step forward has been taken in the drug production field by also elaborating cocaine hydrochloride, which used to be done by the Colombian "capos," in Peru.

Therefore, it could be said that, in our countries, what has been written with one hand is erased with the other.

The result, in sum, is a "draw." Within this complex panorama and because our countries are being judged, the fact that they are certified or not, depends namely on the U.S. Government's criteria and political decisions.

As is obvious, drug trafficking affects the northern power's international relations. Therefore, U.S. analysts and politicians take the global panorama into account. But U.S. politicians consider the drug issue an essentially domestic policy issue. Much more so during an electoral year with already visible effects: regarding drugs, Clinton's democratic government adopts the Republican's discourse — out of lack of another — and adopts rhetorical attitudes inspired by the Republican discourse. For example, by naming General McCaffrey, the "victorious general" from Washington, "drug czar."

Within the context of a "war," which is obviously being lost, this harshening reveals nothing new under the sun. These words and gestures were used over and again by Reagan and Bush. This recurrence of "more of the same" is, probably, the practical confirmation that the "war against drugs" is being lost and that a discourse, already heard for electoral reasons, is being used. What has been done so far is not reviewed. Within this panorama, countries such as Peru, Bolivia, and Colombia are mere peons that must keep in tune with this discourse aimed at the "internal front."

After almost 10 years of a failed "war against drugs" it is obvious that whoever promotes it is not seriously trying to win it but merely use some make up to please the people. It seems much easier to "certify" or "not certify" third, weak, and distant countries than, for example, to fight the intact Miami, Los Angeles, or New York cartels with a pinch of the energy the Colombian Government was demanded to use in fighting the Cali or Medellin cartels. It is easier to accuse the Bolivian police of being corrupt than to efficiently act against the laundering of narcodollars in U.S. territory which some estimate amounts to $100 billion per year.

If there were a true desire to fight drug trafficking in the Andean countries the logic regarding to so-called "alternative development programs" would have been different. After so many years of rhetoric regarding "alternative development," it is obvious that the U.S. Government and the developed-consumer countries are namely responsible for its failure. This, undoubtedly, does not mean that our governments did not lack consistency, continuity and a coordination capacity.

The developed-consumer countries, that have never granted a minimum of the necessary resources to promote regional development programs in the areas where coca is grown are obviously responsible. Isn't the U.S. Government responsible for preventing the problem from being treated seriously by not authorizing the WHO to carry out scientific research regarding the coca leaf?

The main issue, however, is that the developed-consumer countries maintain multimillion-subsidy policies for their agricultural production — $70 billion per year in the United States and $130 billion in the European Union — which creates a tremendous obstacle for the agricultural development of countries, such as ours, banned by international financial organization of even dreaming about the word "subsidy."

Within this context, it is obvious that the United States has no moral authority to judge the Andean countries. Not because these countries do not have any problems and serious responsibilities. But because the "shared responsibility" has been a mere rhetoric and an attempt is being made to break the weakest echelon of the drug trafficking chain which, undoubtedly, is not the most important and decisive one.

Peru: State of Emergency Renewed in Several Provinces

PY0603215796 Lima Radio Programas del Peru Network in Spanish 1700 GMT 6 Mar 96

[FBIS Translated Text] The government has renewed for 60 days the state of emergency in the Provinces of Coronel Portillo and Padre Abad, Ucayali Department, and in Puerto Inca Province, Huanuco Department.

The state of emergency was also renewed for 60 days in the Provinces of Huarochiri and Lima — except in the districts of Ancon, Santa Rosa, and Puente Piedra — and also in Callao Province.

Venezuela

Venezuela: Government Approves Budget Bill

PA0603143196 Caracas REPORTE DIARIO DE LA ECONOMIA in Spanish 29 Feb 96 p 2

[Report by Victor Escalona]

[FBIS Translated Text] Between 35 and 36 percent of the 1996 budget will be allocated to foreign and domestic debt service, which, according to Finance Minister Luis Raul Matos Azocar, amounts to 1.6 trillion bolivares. Matos Azocar announced yesterday the approval of the budget bill, which will be presented to the National Congress next Wednesday, 5 March.

This represents a 10-percent reduction in comparison to the adjusted budget [pesupuesto reconducido] because the government has recalculated revenue projections.

The budget's final amount is 4.945 trillion bolivares, an increase of 800 billion bolivares over the adjusted budget, which is 4.1 trillion. The umbrella law was also approved.

According to Matos Azocar, the budget bill's objective is to keep indebtedness below 2 percent of the GDP. The umbrella law, he said, includes approximately 55 billion bolivares in domestic debt and $1.2 billion in foreign debt. This adds up, he added, to more than 400 billion bolivares in 1996.

Matos Azocar stated that it is intended to honor all debts that become due in 1996. He added that revenues from bonds sold to Germany and Japan — worth some $900 million — are the guarantee that all overdue foreign and domestic debts will be brought up to date in March.

Regarding the sale of bonds, Matos Azocar explained that interest rates for selling these are very close to those of Brazil and Argentina. He said bonds were sold to Germany for a seven-year term, a sale that he described as a significant achievement for Venezuela.

In addition, he announced an offer to sell bonds worth $200 million on the Italian market — which is being examined — and another offer to sell bonds worth $500 million at the American market.

Ocepre [Central Budget Office] figures on debt service are as follows:

— Domestic debt service: 597,886,540,000 bolivares

— Foreign debt service: 963.1316 billion bolivares

— Domestic debt principal: 77,918,540,000 bolivares

— Foreign debt principal: 374.042 billion bolivares

— Interest on domestic debt: 519.968 billion bolivares

— Interest on foreign debt: 589.089 billion bolivares

— Domestic debt principal for Cametro [Caracas Metro Corporation]: 484 million bolivares

— Foreign debt principal for Cametro: 23.922 billion bolivares

— Interest on debt for Cametro: (domestic) 726 million; (foreign) 20.494 billion bolivares.

Budget Variables

The finance minister said that the government continues its strategy of doing things in an orderly fashion when it comes to fiscal matters. He explained that this budget was calculated based on an exchange rate of 290 bolivares per dollar. Although current oil prices are largely above $15 per barrel, this price was estimated at $13.50 per barrel to maintain an austerity policy that will improve the country's fiscal situation not only in 1996, but also in the years ahead.

Regarding this increase of 800 billion bolivares, the finance minister explained that the prevailing factor was the reserves that were made for the payment of higher wages that the Council of Ministers approved and the National Congress rejected. This increase includes 45 billion for the state governments' allocations.

He said that any final decision in this regard, this revision of the 1996 adjusted budget includes some 352 billion bolivares for this compensation. [sentence as published]

In addition, the finance minister underscored that social expenditures are included in this increase with the objective of reaching 2 percent of the GDP in 1996, a 0.45- to two-point hike. He explained that social expenditures currently amount to 1.6 percent of the GDP, an amount that is expected to increase throughout the year as a result of projects that have been agreed upon with multilateral organizations.

In this regard, the following programs are being considered: the family subsidy program, which has already started; additional resources worth about 3 billion bolivares for youth training and employment opportunity that is managed by the Youth Ministry; resources for the supply of medicines, which is a program managed by the Health Ministry; and a series of programs proposed by the Education Ministry to cut families' expenses.

Matoz Azocar reported that the calculation of revenues resulting from the Fiscal Transactions Tax was excluded because Congress has yet to issue a statement on the special sessions, although the issue will be again reviewed in the normal sessions. He announced that the aliquot submitted for Congress' approval — to raise 12.50 to 15 percent — remains unchanged because the General Sales Tax Law states the executive branch will have the authority to submit a modification to the aliquot in parliament once the Executive Branch Budget Law is formulated.

Asked about a definite negotiation with the IMF, Matos Azocar said the high-level mission scheduled to travel this weekend is part of the program for a fiscal deficit reduction in three years. He added that efforts are being exerted to reduce the deficit from two points of the GNP in 1996 to probably 1 point of the GNP in 1997, and thus have a balanced budget in 1998.

Referring to Pdvsa [Venezuelan Petroleum, Inc.] President Luis Giusti's presence in the mission and a possible increase in gasoline prices, he said the government will submit a gasoline budget to the IMF within the overall negotiation and, since Giusti is president of Pdvsa, the correct thing is for him to make the presentation to the IMF.

Referring to the possibility that the privatization of part of the petrochemical industry will be discussed in the meeting, he said the economic cabinet considered a program of strategic partnerships in the area, and all it needs is Congress' approval, but none of the plans involve revenues from this sector.

The minister said the best contribution that the government can make to sectors overwhelmed by inflation is an effort to present not only a balanced budget, but also a series of measures aimed at reducing the fiscal deficit. He said the fiscal deficit is one of the most important factors in the generation of inflation, which he termed "some kind of perverse tax that is perturbing the whole Venezuelan community."

One of the questions the minister was asked was if he believed legislative chambers would approve the budget by 31 March, when every year it takes them four months to approve it. He replied: "Remember that an extended budget is currently in effect although Congress received it well in advance last year. Now it is being slightly modified by 800 billion bolivares, with allocations that are easy to analyze. Therefore, if half of them go for a revision of legal elements, which are automatic, and the fixed income and other types of transfers, then only 50 percent is pending revision and discussion."

He was also asked about the 1997 Budget Law bill. He said that, for the first time, they will submit a budget that strives toward a modernization of the country's public finances. He announced that a private foundation was hired and asked to wholly dedicate itself to a revision of the Public Finance law and the group of laws that may allow a modernization of the way to prepare the country's budget.

[Escalona] How much of the budget is destined for the privatization of enterprises?

[Matos Azocar] It is based on an important obligation. Although the timetable for Cantv's [National Telephone Company of Venezuela] privatization states 49 percent of the enterprise's shares should be placed in the third quarter of 1996, we have yet to include revenues taking into consideration those shares; and we have only included what is currently under way — namely, the privatization of CVG [Venezuelan Guayana Corporation], basically the aluminum companies, which have significant debts with the republic. We have included 290 billion bolivares as revenues for the cancellation of those debts.

Venezuela: Comptroller Views Signs of Financial Crisis

PA0703042996 Caracas EL UNIVERSAL in Spanish 27 Feb 96 p 2-1

[Report by Carmen Carrillo]

[FBIS Translated Text] Caracas — "There are signs of a new financial crisis, and this is why the Comptroller General's Office is trying to detect these before it happens."

Comptroller General Eduardo Roche Lander told this to reporters during an improvised news conference before a workshop to analyze the assets of the Deposit Guarantee and Banking Protection Fund (Fogade).

The workshop was inaugurated in the presence of officials and technicians, as well as Fogade President Esther de Margulis and Filippo Vagnogni, director general of the Comptroller General's Office.

[Carrillo] You said there are signs of weakness in the financial system.

[Roche] What I said is that given that we have not yet overcome the current crisis, there are some signs of weakness reflected in statements on the condition of certain banks.

We think that it is advisable to detect situations before they happen, he insisted.

[Carrillo] What technical criteria does the Comptroller General's Office have to detect such situations?

[Roche] We, as workers in the financial sector, have information provided by the Bank Superintendence. We receive information for control purposes.

We have personnel at the superintendence, at Fogade, and at the Financial Emergency Board.

I think that, as a body tasked with safeguarding national assets, we must act swiftly to prevent situations we might regret.

[Carrillo] But are there any elements prompting you to say that there are weaknesses, that there could be a crisis in the financial system?

[Roche] Well, the information is in the newspapers.

[Carrillo] Are you referring to the Banco Latino case?

[Roche] I am referring to the case of Banco Latino as well as other banks.

[Carrillo] But comptroller, you are talking about a report dated August 1995, when that bank had not yet been recapitalized.

[Roche] The situation of the banks is affected by, among other things, the problem at Corimon [Montana Corporation]. And this affects the financial system.

Fortunately, the new person charged with handling the Corimon situation is looking for timely solutions to avoid affecting the banks that are involved in this problem.

The official also commented on investigations into the disbursement of dollars at the Exchange Administration Board and at the Exchange Administration Technical Office.

Fogade President Esther de Margulis was asked about the signs of a new financial crisis mentioned by Eduardo Roche and she replied:

"I have no information regarding Corimon."

"I understand that the banks are looking for ways to protect outstanding commitments in order to make a good distribution of assets among all creditors," she added.

Margulis noted that, of the banks that invested money in Corimon, I recall Banco Industrial, Public Workers Benefits Fund. [sentence as published] There are about 23 banks involved, but a solution can be reached if all of them reach an agreement.

[Carrillo] Do you admit that there could be weakness or a crisis in the financial system?

[Margulis] I do not want to contradict the comptroller general's statement in any way. Perhaps he has more information than I do. I think that there is coordinated work to adequately establish the guarantees and to carry out a reorganization instead of filing untimely suits. I think that there should be adequate coordination to sell the companies and help the banks recover.

Margulis noted that the Corimon situation is just unfolding. We already met with representatives of the banks and the workers fund.

Corimon Executive President Francisco Layrisse agreed to reply via cellular phone to these comments about the company and about the alleged weaknesses of the financial system.

[Layrisse] I do not think, from any standpoint, that the financial system is in danger; although the Carimon problem is important, it does not mean that it could lead to the situation you described.

Corimon's debt totals 55 billion bolivares, and according to a not very recent report issued by this company, the following are the banks that invested money in Corimon:

Banco Internacional, 1.91 billion bolivares; Fivenez, 1.756 billion bolivares; Provincial, 1.39 billion bolivares; Union, 1.2 billion bolivares; Venezuela, 967 million; Occidente, 675 million bolivares; Mercantil, 620 million bolivares; Latino (unionized), 500 million bolivares; Bamerinvest, 400 million bolivares; and Hamilton, 400 million bolivares.

Bank of Lara invested 370 million bolivares; Venezolano de Credito, 335 million bolivares; Industrial de Venezuela, 319 million bolivares; Extebandes, 280 million bolivares; Latino, 142 million bolivares; and Capital, 145 million bolivares.

Arrendadora Consolidado, 137 million bolivares; Caroni, 120 million bolivares; Arrendadora Mercantil, 85 million bolivares; Arrendadora Union, 59 million bolivares; and Caracas, 49 million bolivares.

There is also a debt of 6.1 billion bolivares in unsecured bonds and commercial securities and $2.7 billion with the Chase Manhattan Bank.

There are also debts with Argentine and U.S. banks that add up to the 55 billion bolivares debt of Corimon.

Venezuela: Officials View Possibility of Financial Crisis

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[FBIS Translated Text] [Anchor Franklin Villasmil] Comptroller General Eduardo Roche Lander has said there are signs that a new financial crisis is brewing.

[Begin Roche recording] The situation in the banking sector appears to be jeopardized by the problem of Corimon [Montana Corporation], among other things, and this affects the financial system. Fortunately, the new person assigned to handling the Corimon situation is seeking the appropriate solutions so as to preclude serious damages to some of the banks involved in this matter. [end recording]

[Villasmil] Meanwhile, Fogade [Deposit Guarantee and Banking Protection Fund] President Esther Margulis ruled out another crisis in the local financial system, which has been predicted in the near future, and also denied reports stressing that Banco Latino would face a new crisis.

[Begin Margulis recording] I believe the bank was experiencing a crisis [words indistinct] intervention when the bank had been subjected to a restructuring plan [words indistinct] 156 billion in liabilities and [word indistinct]. As you know, this implied that the bank had to use its own funds for the redemption of bonds and the payment of interest, approximately from February to 20 December. [end recording]

[Villasmil] In the meantime, Bank Superintendent Francisco Debera reiterated that the financial situation is stable and denied that the banks are asking for financial assistance.

[Begin Debera recording] Currently, we do not have any serious problem with the banks that are operating. The issue here is that these banks must be restructured in the future to enable them to have operational alternatives and carry out normal banking activity. This is necessary. [end recording]

[Villasmil] The Fogade president and the bank superintendent made these remarks after being confirmed in their posts by President Rafael Caldera at Miraflores Palace.

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